

104TH CONGRESS  
2D SESSION

# H. R. 3505

To amend the Federal Election Campaign Act of 1971, and for other purposes.

---

## IN THE HOUSE OF REPRESENTATIVES

MAY 22, 1996

Mr. FARR of California (for himself, Mr. GEPHARDT, Mr. BONIOR, Mr. FAZIO of California, Ms. DELAURO, Mr. LEWIS of Georgia, Mr. RICHARDSON, Mrs. KENNELLY, Mr. ABERCROMBIE, Mr. ACKERMAN, Mr. BARCIA, Mr. BARRETT of Wisconsin, Mr. BECERRA, Mr. BORSKI, Mr. BROWDER, Mr. BROWN of California, Mr. BROWN of Ohio, Mr. CARDIN, Mr. DELLUMS, Mr. DURBIN, Mr. ENGEL, Ms. ESHOO, Mr. FATTAH, Mr. FOGLIETTA, Mr. FRANK of Massachusetts, Ms. FURSE, Mr. GEJDENSON, Mr. GENE GREEN of Texas, Mr. GIBBONS, Mr. GUTIERREZ, Mr. HALL of Ohio, Ms. HARMAN, Mr. HASTINGS of Florida, Mr. HINCHEY, Ms. JACKSON-LEE of Texas, Mr. KENNEDY of Rhode Island, Mr. LAFALCE, Mr. LEVIN, Ms. LOFGREN, Mrs. LOWEY, Mr. MANTON, Mr. MATSUI, Ms. MCCARTHY, Mr. McDERMOTT, Ms. MCKINNEY, Mr. MILLER of California, Mr. MINGE, Mr. MOAKLEY, Mr. MORAN, Mr. NADLER, Mr. OLVER, Mr. OWENS, Mr. PALLONE, Ms. PELOSI, Mr. PETERSON of Minnesota, Mr. RAHALL, Ms. RIVERS, Ms. ROYBAL-ALLARD, Mr. SABO, Mr. SANDERS, Mr. SAWYER, Mrs. SCHROEDER, Mr. SCHUMER, Mr. SKAGGS, Mr. SPRATT, Mr. STARK, Mr. STUDDS, Mr. STUPAK, Mrs. THURMAN, Mr. TORRES, Mr. VENTO, Ms. WATERS, Mr. WAXMAN, Mr. WISE, Ms. WOOLSEY, and Mr. YATES) introduced the following bill; which was referred to the Committee on House Oversight, and in addition to the Committees on Ways and Means, Commerce, Government Reform and Oversight, and Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

---

# A BILL

To amend the Federal Election Campaign Act of 1971, and  
for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

## 3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “American Political Reform Act”.

6 (b) TABLE OF CONTENTS.—The table of contents for  
7 this Act is as follows:

Sec. 1. Short title; table of contents.

### TITLE I—CONGRESSIONAL CAMPAIGN SPENDING LIMITS AND BENEFITS

#### Subtitle A—Election Campaign Spending Limits and Benefits

Sec. 101. Spending limits and benefits.

#### Subtitle B—Limitations on Contributions to House of Representatives Candidates

Sec. 121. Limitations on political committees.

Sec. 122. Limitations on political committee and large donor contributions that  
may be accepted by House of Representatives candidates.

#### Subtitle C—Related Provisions

Sec. 131. Reporting requirements.

Sec. 132. Registration as eligible House of Representatives candidate.

Sec. 133. Definitions.

#### Subtitle D—Tax on Excess Political Expenditures of Certain Congressional Campaign Funds

Sec. 141. Tax treatment of certain campaign funds.

### TITLE II—INDEPENDENT EXPENDITURES

Sec. 201. Clarification of definitions relating to independent expenditures.

Sec. 202. Reporting requirements for certain independent expenditures.

### TITLE III—CONTRIBUTIONS AND EXPENDITURES BY POLITICAL PARTY COMMITTEES

Sec. 301. Definitions.

- Sec. 302. Contributions to political party committees.
- Sec. 303. Increase in the amount that multicandidate political committees may contribute to national political party committees.
- Sec. 304. Merchandising and affinity cards.
- Sec. 305. Provisions relating to national, State, and local party committees.
- Sec. 306. Restrictions on fundraising by candidates and officeholders.
- Sec. 307. Reporting requirements.

#### TITLE IV—CONTRIBUTIONS

- Sec. 401. Restrictions on bundling.
- Sec. 402. Contributions by dependents not of voting age.
- Sec. 403. Prohibition of acceptance by a candidate of cash contributions from any one person aggregating more than \$100.
- Sec. 404. Contributions to candidates from State and local committees of political parties to be aggregated.
- Sec. 405. Prohibition of false representation to solicit contributions.
- Sec. 406. Limited exclusion of advances by campaign workers from the definition of the term “contribution”.
- Sec. 407. Amendment to section 316 of the Federal Election Campaign Act of 1971.
- Sec. 408. Prohibition of certain election-related activities of foreign nationals.

#### TITLE V—REPORTING REQUIREMENTS

- Sec. 501. Change in certain reporting from a calendar year basis to an election cycle basis.
- Sec. 502. Disclosure of personal and consulting services.
- Sec. 503. Political committees other than candidate committees.
- Sec. 504. Use of candidates’ names.
- Sec. 505. Reporting requirements.
- Sec. 506. Simultaneous registration of candidate and candidate’s principal campaign committee.
- Sec. 507. Reporting on general campaign activities of persons other than political parties.

#### TITLE VI—BROADCAST RATES AND CAMPAIGN ADVERTISING

- Sec. 601. Broadcast rates and campaign advertising.
- Sec. 602. Campaign advertising amendments.
- Sec. 603. Eligibility for nonprofit third class bulk rates of postage.

#### TITLE VII—MISCELLANEOUS

- Sec. 701. Prohibition of leadership committees.
- Sec. 702. Appearance by Federal Election Commission as amici curiae.
- Sec. 703. Prohibiting solicitation of contributions by members in hall of the House of Representatives.

#### TITLE VIII—EFFECTIVE DATES; AUTHORIZATIONS

- Sec. 801. Effective date.
- Sec. 802. Severability.
- Sec. 803. Expedited review of constitutional issues.
- Sec. 804. Regulations.

1 **TITLE I—CONGRESSIONAL CAM-**  
 2 **PAIGN SPENDING LIMITS AND**  
 3 **BENEFITS**

4 **Subtitle A—Election Campaign**  
 5 **Spending Limits and Benefits**

6 **SEC. 101. SPENDING LIMITS AND BENEFITS.**

7 (a) IN GENERAL.—The Federal Election Campaign  
 8 Act of 1971 is amended by adding at the end the following  
 9 new title:

10 **“TITLE V—ELECTION SPENDING**  
 11 **LIMITS AND BENEFITS**

“TITLE V—ELECTION SPENDING LIMITS AND BENEFITS

“Subtitle A—Election Campaigns for the House of Representatives

“Sec. 501. Expenditure limitations.

“Sec. 502. Personal contribution limitations.

“Sec. 503. Definition.

“Subtitle B—Administrative Provisions

“Sec. 511. Certifications by Commission.

“Sec. 512. Examination and audits; repayments and civil penalties.

“Sec. 513. Judicial review.

“Sec. 514. Reports to Congress; certifications; regulations.

“Sec. 515. Closed captioning requirement for television commercials of eligible  
 candidates.

“Subtitle C—Congressional Election Campaign Fund

“Sec. 521. Establishment and operation of the Fund.

“Sec. 522. Designation of receipts to the Fund.

1    **“Subtitle A—Election Campaigns**  
2    **for the House of Representatives**

3    **“SEC. 501. EXPENDITURE LIMITATIONS.**

4       “(a) IN GENERAL.—An eligible House of Representa-  
5   tives candidate may not, in an election cycle, make expend-  
6   itures aggregating more than \$600,000.

7       “(b) RUNOFF ELECTION AND SPECIAL ELECTION  
8   AMOUNTS.—

9           “(1) RUNOFF ELECTION AMOUNT.—If an eligi-  
10   ble House of Representatives candidate is a can-  
11   didate in a runoff election, the candidate may make  
12   additional expenditures aggregating not more than  
13   \$200,000 in the election cycle.

14          “(2) SPECIAL ELECTION AMOUNT.—An eligible  
15   House of Representatives candidate who is a can-  
16   didate in a special election may make expenditures  
17   aggregating not more than \$600,000 with respect to  
18   the special election.

19          “(c) CLOSELY CONTESTED PRIMARY.—If, as deter-  
20   mined by the Commission, an eligible House of Represent-  
21   atives candidate in a contested primary election wins that  
22   primary election by a margin of 20 percentage points or  
23   less, the candidate may make additional expenditures ag-  
24   gregating not more than \$200,000 in the election cycle.

25          “(d) EXCEPTIONS TO LIMITATIONS.—

1           “(1) NONPARTICIPATING OPPONENT.—The lim-  
2       itations imposed by subsections (a) and (b) do not  
3       apply in the case of an eligible House of Representa-  
4       tives candidate if any other general election can-  
5       didate seeking nomination or election to that of-  
6       fice—

7           “(A) is not an eligible House of Represent-  
8       atives candidate; and

9           “(B) makes expenditures in excess of 30  
10      percent of the limitation under subsection (a).

11          “(2) INDEPENDENT EXPENDITURES AGAINST  
12      ELIGIBLE CANDIDATE.—The limitations imposed by  
13      subsections (a) and (b) do not apply in the case of  
14      an eligible House of Representatives candidate if the  
15      total amount of independent expenditures made dur-  
16      ing the election cycle on behalf of candidates oppos-  
17      ing such eligible candidate exceeds \$15,000.

18          “(3) CONTINUED ELIGIBILITY FOR BENE-  
19      FITS.—An eligible House of Representatives can-  
20      didate referred to in paragraph (1) or paragraph (2)  
21      shall continue to be eligible for all benefits under  
22      this title.

23          “(e) EXEMPTION FOR LEGAL COSTS AND TAXES.—

24           “(1) IN GENERAL.—Any costs incurred by an  
25      eligible House of Representatives candidate or his or

1 her authorized committee, or a Federal officeholder,  
2 for qualified legal services, for Federal, State, or  
3 local income taxes on earnings of a candidate's au-  
4 thorized committees, or to comply with section 512  
5 shall not be considered in the computation of  
6 amounts subject to limitation under this section.

7 “(2) QUALIFIED LEGAL SERVICES.—For pur-  
8 poses of this subsection, the term ‘qualified legal  
9 services’ means—

10 “(A) any legal service performed on behalf  
11 of an authorized committee; or

12 “(B) any legal service performed on behalf  
13 of a candidate or Federal officeholder in con-  
14 nection with his or her duties or activities as a  
15 candidate or Federal officeholder.

16 “(f) EXEMPTION FOR FUNDRAISING OR ACCOUNTING  
17 COSTS.—Any costs incurred by an eligible House of Rep-  
18 resentatives candidate or his or her authorized committee  
19 in connection with the solicitation of contributions on be-  
20 half of such candidate, or for accounting services to ensure  
21 compliance with this Act, shall not be considered in the  
22 computation of amounts subject to expenditure limitation  
23 under subsection (a) to the extent that the aggregate of  
24 such costs does not exceed 10 percent of the expenditure  
25 limitation under subsection (a).

1       “(g) INDEXING.—The dollar amounts specified in  
 2 subsections (a), (b), and (c) shall be adjusted at the begin-  
 3 ning of each calendar year based on the increase in the  
 4 price index determined under section 315(c), except that,  
 5 for the purposes of such adjustment, the base period shall  
 6 be calendar year 1996.

7       “(h) RECALL ACTIONS.—The limitations of this sec-  
 8 tion do not apply in the case of any recall action held pur-  
 9 suant to State law.

10   **“SEC. 502. PERSONAL CONTRIBUTION LIMITATIONS.**

11       “(a) PERSONAL CONTRIBUTIONS.—An eligible House  
 12 of Representatives candidate may not, with respect to an  
 13 election cycle, make contributions or loans to the can-  
 14 didate’s own campaign totaling more than \$50,000 from  
 15 the personal funds of the candidate. Contributions from  
 16 the personal funds of a candidate may not qualify for cer-  
 17 tification for voter benefits under this title.

18       “(b) LIMITATION EXCEPTION.—The limitation im-  
 19 posed by subsection (a) does not apply—

20               “(1) in the case of an eligible House of Rep-  
 21 resentatives candidate if any other general election  
 22 candidate for that office makes contributions or  
 23 loans to the candidate’s own campaign totaling more  
 24 than \$50,000 from the personal funds of the can-  
 25 didate; or

1           “(2) with respect to any contribution or loan  
2           used for costs described in section 501 (e) or (f).

3           “(c) AGGREGATION.—For purposes of subsection (a),  
4           any contribution or loan to a candidate’s campaign by a  
5           member of a candidate’s immediate family shall be treated  
6           as made by the candidate.

7           **“SEC. 503. DEFINITION.**

8           “‘As used in this title, the term ‘benefits’ means, with  
9           respect to an eligible House of Representatives candidate,  
10          reduced charges for use of a broadcasting station under  
11          section 315 of the Communications Act of 1934 (47  
12          U.S.C. 315) and eligibility for nonprofit third-class bulk  
13          rates of postage under section 3626(e) of title 39, United  
14          States Code.

15                   **“Subtitle B—Administrative**  
16                           **Provisions**

17           **“SEC. 511. CERTIFICATIONS BY COMMISSION.**

18           “(a) GENERAL ELIGIBILITY.—The Commission shall  
19          certify whether a candidate is eligible to receive benefits  
20          under subtitle A. The initial determination shall be based  
21          on the candidate’s filings under this title. Any subsequent  
22          determination shall be based on relevant additional infor-  
23          mation submitted in such form and manner as the Com-  
24          mission may require.

25           “(b) CERTIFICATION OF BENEFITS.—

1           “(1) DEADLINE FOR RESPONSE TO RE-  
2       QUESTS.—The Commission shall respond to a can-  
3       didate’s request for certification for eligibility to re-  
4       ceive benefits under this section not later than 5  
5       business days after the candidate submits the re-  
6       quest.

7           “(2) REQUESTS.—Any request for certification  
8       submitted by a candidate shall contain—

9               “(A) such information and be made in ac-  
10              cordance with such procedures as the Commis-  
11              sion may provide by regulation; and

12               “(B) a verification signed by the candidate  
13              and the treasurer of the principal campaign  
14              committee of such candidate stating that the in-  
15              formation furnished in support of the request,  
16              to the best of their knowledge, is correct and  
17              fully satisfies the requirement of this title.

18           “(3) PARTIAL CERTIFICATION.—If the Commis-  
19       sion determines that any portion of a request does  
20       not meet the requirement for certification, the Com-  
21       mission shall withhold the certification for that por-  
22       tion only and inform the candidate as to how the re-  
23       quest may be corrected.

24           “(4) CERTIFICATION WITHHELD.—The Com-  
25       mission may withhold certification if it determines

1       that a candidate who is otherwise eligible has en-  
2       gaged in a pattern of activity indicating that the  
3       candidate's filings under this title cannot be relied  
4       upon.

5       “(c) WITHDRAWAL OF CERTIFICATION.—If the Com-  
6       mission determines that a candidate who is certified as  
7       an eligible House of Representatives candidate pursuant  
8       to this section has made expenditures in excess of any  
9       limit under subtitle A or otherwise no longer meets the  
10      requirements for certification under this title, the Com-  
11      mission shall revoke the candidate's certification.

12   **“SEC. 512. EXAMINATION AND AUDITS; REPAYMENTS AND**  
13           **CIVIL PENALTIES.**

14       “(a) EXAMINATIONS AND AUDITS.—

15           “(1) GENERAL ELECTIONS.—After each general  
16       election, the Commission shall conduct an examina-  
17       tion and audit of the campaign accounts of 5 per-  
18       cent of the eligible House of Representatives can-  
19       didates, as designated by the Commission through  
20       the use of an appropriate statistical method of ran-  
21       dom selection, to determine whether such candidates  
22       have complied with the conditions of eligibility and  
23       other requirements of this title. The Commission  
24       shall conduct an examination and audit of the ac-  
25       counts of all candidates for election to an office

1       where any eligible candidate for the office is selected  
2       for examination and audit.

3           “(2) SPECIAL ELECTION.—After each special  
4       election involving an eligible candidate, the Commis-  
5       sion shall conduct an examination and audit of the  
6       campaign accounts of all candidates in the election  
7       to determine whether the candidates have complied  
8       with the conditions of eligibility and other require-  
9       ments of this Act.

10          “(3) AFFIRMATIVE VOTE.—The Commission  
11       may conduct an examination and audit of the cam-  
12       paign accounts of any eligible House of Representa-  
13       tives candidate in a general election if the Commis-  
14       sion determines that there exists reason to believe  
15       whether such candidate may have violated any provi-  
16       sion of this title.

17          “(b) NOTIFICATION OF EXCESS EXPENDITURES.—If  
18       the Commission determines that any eligible candidate  
19       who has received benefits under this title has made ex-  
20       penditures in excess of any limit under subtitle A, the  
21       Commission shall notify the candidate.

22          “(c) CIVIL PENALTIES.—

23           “(1) EXCESS EXPENDITURES.—

24           “(A) LOW AMOUNT OF EXCESS EXPENDI-  
25       TURES.—Any eligible House of Representatives

1 candidate who makes expenditures that exceed  
2 a limitation under subtitle A by 2.5 percent or  
3 less shall pay to the Commission an amount  
4 equal to the amount of the excess expenditures.

5 “(B) MEDIUM AMOUNT OF EXCESS EX-  
6 PENDITURES.—Any eligible House of Rep-  
7 resentatives candidate who makes expenditures  
8 that exceed a limitation under subtitle A by  
9 more than 2.5 percent and less than 5 percent  
10 shall pay to the Commission an amount equal  
11 to three times the amount of the excess expend-  
12 itures.

13 “(C) LARGE AMOUNT OF EXCESS EXPEND-  
14 ITURES.—Any eligible House of Representatives  
15 candidate who makes expenditures that exceed  
16 a limitation under subtitle A by 5 percent or  
17 more shall pay to the Commission an amount  
18 equal to three times the amount of the excess  
19 expenditures plus, if the Commission deter-  
20 mines such excess expenditures were knowing  
21 and willful, a civil penalty in an amount deter-  
22 mined by the Commission.

23 “(2) MISUSED BENEFITS OF CANDIDATES.—If  
24 the Commission determines that an eligible House of  
25 Representatives candidate used any benefit received

1 under this title in a manner not provided for in this  
2 title, the Commission may assess a civil penalty  
3 against such candidate in an amount not greater  
4 than 200 percent of the amount involved.

5 “(d) LIMIT ON PERIOD FOR NOTIFICATION.—No no-  
6 tification shall be made by the Commission under this sec-  
7 tion with respect to an election more than 3 years after  
8 the date of such election.

9 **“SEC. 513. JUDICIAL REVIEW.**

10 “(a) JUDICIAL REVIEW.—Any agency action by the  
11 Commission made under the provisions of this title shall  
12 be subject to review by the United States Court of Appeals  
13 for the District of Columbia Circuit upon petition filed in  
14 such court within 30 days after the agency action by the  
15 Commission for which review is sought. It shall be the  
16 duty of the Court of Appeals, ahead of all matters not  
17 filed under this title, to advance on the docket and expedi-  
18 tiously take action on all petitions filed pursuant to this  
19 title.

20 “(b) APPLICATION OF TITLE 5.—The provisions of  
21 chapter 7 of title 5, United States Code, shall apply to  
22 judicial review of any agency action by the Commission.

23 “(c) AGENCY ACTION.—For purposes of this section,  
24 the term ‘agency action’ has the meaning given such term  
25 by section 551(13) of title 5, United States Code.

1 **“SEC. 514. REPORTS TO CONGRESS; CERTIFICATIONS; REG-**  
2 **ULATIONS.**

3 “(a) **REPORTS.**—The Commission shall, as soon as  
4 practicable after each election, submit a full report to the  
5 House of Representatives setting forth—

6 “(1) the expenditures (shown in such detail as  
7 the Commission determines appropriate) made by  
8 each eligible candidate and the authorized commit-  
9 tees of such candidate;

10 “(2) the benefits certified by the Commission as  
11 available to each eligible candidate under this title;  
12 and

13 “(3) the names of any candidates against whom  
14 penalties were imposed under section 512, together  
15 with the amount of each such penalty and the rea-  
16 sons for its imposition.

17 “(b) **DETERMINATIONS BY COMMISSION.**—Subject to  
18 sections 512 and 513, all determinations (including certifi-  
19 cations under section 511) made by the Commission under  
20 this title shall be final and conclusive.

21 “(c) **RULES AND REGULATIONS.**—The Commission is  
22 authorized to prescribe such rules and regulations, in ac-  
23 cordance with the provisions of subsection (d), to conduct  
24 such audits, examinations and investigations, and to re-  
25 quire the keeping and submission of such books, records,

1 and information, as it deems necessary to carry out the  
2 functions and duties imposed on it by this title.

3 “(d) REPORT OF PROPOSED REGULATIONS.—The  
4 Commission shall submit to the House of Representatives  
5 a report containing a detailed explanation and justification  
6 of each rule and regulation of the Commission under this  
7 title. No such rule, regulation, or form may take effect  
8 until a period of 60 legislative days has elapsed after the  
9 report is received. As used in this subsection, the terms  
10 ‘rule’ and ‘regulation’ mean a provision or series of inter-  
11 related provisions stating a single, separable rule of law.

12 **“SEC. 515. CLOSED CAPTIONING REQUIREMENT FOR TELE-**  
13 **VISION COMMERCIALS OF ELIGIBLE CAN-**  
14 **DIDATES.**

15 “No eligible House of Representatives candidate may  
16 receive benefits under subtitle A unless such candidate has  
17 certified that any television commercial prepared or dis-  
18 tributed by the candidate will be prepared in a manner  
19 that contains, is accompanied by, or otherwise readily per-  
20 mits closed captioning of the oral content of the commer-  
21 cial to be broadcast by way of line 21 of the vertical blank-  
22 ing interval, or by way of comparable successor tech-  
23 nologies.”.

1 **Subtitle B—Limitations on Con-**  
2 **tributions to House of Rep-**  
3 **resentatives Candidates**

4 **SEC. 121. LIMITATIONS ON POLITICAL COMMITTEES.**

5 (a) MULTICANDIDATE POLITICAL COMMITTEES.—  
6 Section 315(a)(2)(A) of the Federal Election Campaign  
7 Act of 1971 (2 U.S.C. 441a(a)(2)(A)) is amended by  
8 striking out “with respect” and all that follows through  
9 “\$5,000,” and inserting in lieu thereof: “which, in the ag-  
10 gregate, exceed \$5,000 with respect to an election for Fed-  
11 eral office or \$8,000 with respect to an election cycle (not  
12 including a runoff election);”.

13 (b) CANDIDATE’S COMMITTEES.—(1) Section 315(a)  
14 of such Act (2 U.S.C. 441a(a)) is amended by adding at  
15 the end the following new paragraph:

16 “(9) For the purposes of the limitations provided by  
17 paragraphs (1) and (2), any political committee which is  
18 established or financed or maintained or controlled by any  
19 candidate or Federal officeholder shall be deemed to be  
20 an authorized committee of such candidate or officeholder.  
21 Nothing in this paragraph shall be construed to permit  
22 the establishment, financing, maintenance, or control of  
23 any committee which is prohibited by paragraph (3) or  
24 (6) of section 302(e).”

1       (2) Section 302(e)(3) of such Act (2 U.S.C.  
2 432(e)(3)) is amended to read as follows:

3       “(3) No political committee that supports or has sup-  
4 ported more than one candidate may be designated as an  
5 authorized committee, except that—

6           “(A) a candidate for the office of President  
7 nominated by a political party may designate the na-  
8 tional committee of such political party as the can-  
9 didate’s principal campaign committee, but only if  
10 that national committee maintains separate books of  
11 account with respect to its functions as a principal  
12 campaign committee; and

13           “(B) a candidate may designate a political com-  
14 mittee established solely for the purpose of joint  
15 fundraising by such candidates as an authorized  
16 committee.”

17       (c) EFFECTIVE DATES.—(1) Except as provided in  
18 paragraph (2), the amendments made by this section shall  
19 apply to elections (and the election cycles relating thereto)  
20 occurring after December 31, 1996.

21       (2) In applying the amendments made by this section,  
22 there shall not be taken into account—

23           (A) contributions made or received before Janu-  
24 ary 1, 1997; or

1 (B) contributions made to, or received by, a  
 2 candidate on or after January 1, 1997, to the extent  
 3 such contributions are not greater than the excess  
 4 (if any) of—

5 (i) such contributions received by any op-  
 6 ponent of the candidate before January 1,  
 7 1997, over

8 (ii) such contributions received by the can-  
 9 didate before January 1, 1997.

10 **SEC. 122. LIMITATIONS ON POLITICAL COMMITTEE AND**  
 11 **LARGE DONOR CONTRIBUTIONS THAT MAY**  
 12 **BE ACCEPTED BY HOUSE OF REPRESENTA-**  
 13 **TIVES CANDIDATES.**

14 Section 315 of the Federal Election Campaign Act  
 15 of 1971 (2 U.S.C. 441a) is amended by adding at the end  
 16 the following new subsection:

17 “(i) LIMITATIONS ON CONTRIBUTIONS ACCEPTED BY  
 18 HOUSE OF REPRESENTATIVES CANDIDATE.—

19 “(1) POLITICAL COMMITTEES.—A candidate for  
 20 the office of Representative in, or Delegate or Resi-  
 21 dent Commissioner to, the Congress may not, with  
 22 respect to an election cycle, accept contributions  
 23 from political committees aggregating in excess of  
 24 \$200,000.

1           “(2) PERSONS OTHER THAN POLITICAL COM-  
2           MITTEES.—A candidate for the office of Representa-  
3           tive in, or Delegate or Resident Commissioner to,  
4           the Congress may not, with respect to an election  
5           cycle, accept contributions aggregating in excess of  
6           \$200,000 from persons other than political commit-  
7           tees whose contributions total more than \$200.

8           “(3) CONTESTED PRIMARIES.—In addition to  
9           the contributions under paragraphs (1) and (2), if a  
10          House of Representatives candidate in a contested  
11          primary election wins that primary election by a  
12          margin of 20 percentage points or less, the can-  
13          didate may accept contributions of—

14                 “(A) not more than \$66,600 from political  
15                 committees; and

16                 “(B) not more than \$66,600 from persons  
17                 referred to in paragraph (2).

18          “(4) RUNOFF ELECTIONS.—In addition to the  
19          contributions under paragraphs (1) and (2), a  
20          House of Representatives candidate who is a can-  
21          didate in a runoff election may accept contributions  
22          of (A) not more than \$100,000 from political com-  
23          mittees; and (B) not more than \$100,000 from per-  
24          sons referred to in paragraph (2).

1           “(5) EXEMPTION FOR CERTAIN COSTS.—Any  
2       amount—

3           “(A) accepted by a House of Representa-  
4       tives candidate; and

5           “(B) used for costs incurred under section  
6       501 (e) and (f),

7       shall not be considered in the computation of  
8       amounts subject to limitation under this subsection.

9           “(6) TRANSFER PROVISION.—The limitations  
10      imposed by this subsection shall apply without re-  
11      gard to amounts transferred from previous election  
12      cycles or other authorized committees of the same  
13      candidate. Candidates shall not be required to seek  
14      the redesignation of contributions in order to trans-  
15      fer such contributions to a later election cycle.

16          “(7) INDEXATION OF AMOUNTS.—The dollar  
17      amounts specified in this subsection shall be ad-  
18      justed at the beginning of each calendar year based  
19      on the increase in the price index determined under  
20      subsection (c), except that, for the purposes of such  
21      adjustment, the base period shall be calendar year  
22      1996.”

## 1       **Subtitle C—Related Provisions**

### 2       **SEC. 131. REPORTING REQUIREMENTS.**

3       Title III of the Federal Election Campaign Act of  
4       1971 is amended by adding after section 304 the following  
5       new section:

6       “REPORTING REQUIREMENTS FOR HOUSE CANDIDATES

7       “SEC. 304A. A candidate for the office of Represent-  
8       ative in, or Delegate or Resident Commissioner to, the  
9       Congress who—

10               “(1) makes contributions in excess of \$50,000  
11               of personal funds of the candidate to the authorized  
12               committee of the candidate; or

13               “(2) makes expenditures in excess of 50 percent  
14               and 100 percent of the limitation under section  
15               501(a);

16       shall report that the threshold has been reached to the  
17       Commission not later than 48 hours after reaching the  
18       threshold. The Commission shall transmit a copy to each  
19       other candidate for election to the same office within 48  
20       hours of receipt.”

### 21       **SEC. 132. REGISTRATION AS ELIGIBLE HOUSE OF REP-** 22       **RESENTATIVES CANDIDATE.**

23       Section 302(e) of the Federal Election Campaign Act  
24       of 1971 (2 U.S.C. 432(e)) is amended by adding at the  
25       end the following new paragraphs:

1       “(6)(A) In the case of a candidate for the office of  
 2 Representative in, or Delegate or Resident Commissioner  
 3 to, the Congress, who desires to be an eligible House of  
 4 Representatives candidate, a declaration of participation  
 5 of the candidate to abide by the limits specified in sections  
 6 315(i), 501, and 502 and provide the information required  
 7 under section 503(b)(4) shall be included in the designa-  
 8 tion required to be filed under paragraph (1).

9       “(B) A declaration of participation that is included  
 10 in a statement of candidacy may not thereafter be re-  
 11 voked.”

12 **SEC. 133. DEFINITIONS.**

13       (a) IN GENERAL.—Section 301 of the Federal Elec-  
 14 tion Campaign Act of 1971 (2 U.S.C. 431) is amended  
 15 by striking paragraph (19) and inserting the following new  
 16 paragraphs:

17       “(19) The term ‘election cycle’ means—

18               “(A) in the case of a candidate or the author-  
 19 ized committees of a candidate, the term beginning  
 20 on the day after the date of the most recent general  
 21 election for the specific office or seat which such  
 22 candidate seeks and ending on the date of the next  
 23 general election for such office or seat; or

24               “(B) for all other persons, the term beginning  
 25 on the first day following the date of the last general

1 election and ending on the date of the next general  
2 election.

3 “(20) The term ‘general election’ means any election  
4 which will directly result in the election of a person to a  
5 Federal office.

6 “(21) The term ‘general election period’ means, with  
7 respect to any candidate, the period beginning on the day  
8 after the date of the primary or runoff election for the  
9 specific office the candidate is seeking, whichever is later,  
10 and ending on the earlier of—

11 “(A) the date of such general election; or

12 “(B) the date on which the candidate withdraws  
13 from the campaign or otherwise ceases actively to  
14 seek election.

15 “(22) The term ‘immediate family’ means—

16 “(A) a candidate’s spouse;

17 “(B) a child, stepchild, parent, grandparent,  
18 brother, half-brother, sister or half-sister of the can-  
19 didate or the candidate’s spouse; and

20 “(C) the spouse of any person described in sub-  
21 paragraph (B).

22 “(23) The term ‘primary election’ means an election  
23 which may result in the selection of a candidate for the  
24 ballot in a general election for a Federal office.

1       “(24) The term ‘primary election period’ means, with  
2       respect to any candidate, the period beginning on the day  
3       following the date of the last election for the specific office  
4       the candidate is seeking and ending on the earlier of—

5               “(A) the date of the first primary election for  
6       that office following the last general election for that  
7       office; or

8               “(B) the date on which the candidate withdraws  
9       from the election or otherwise ceases actively to seek  
10      election.

11      “(25) The term ‘runoff election’ means an election  
12      held after a primary election which is prescribed by appli-  
13      cable State law as the means for deciding which candidate  
14      will be on the ballot in the general election for a Federal  
15      office.

16      “(26) The term ‘runoff election period’ means, with  
17      respect to any candidate, the period beginning on the day  
18      following the date of the last primary election for the spe-  
19      cific office such candidate is seeking and ending on the  
20      date of the runoff election for such office.

21      “(27) The term ‘special election’ means any election  
22      (whether primary, runoff, or general) for Federal office  
23      held by reason of a vacancy in the office arising before  
24      the end of the term of the office.

1       “(28) The term ‘special election period’ means, with  
2   respect to any candidate for any Federal office, the period  
3   beginning on the date the vacancy described in paragraph  
4   (28) occurs and ending on the earlier of—

5               “(A) the date the election resulting in the elec-  
6   tion of a person to the office occurs; or

7               “(B) the date on which the candidate withdraws  
8   from the campaign or otherwise ceases actively to  
9   seek election.

10       “(29) The term ‘eligible House of Representatives  
11   candidate’ means a candidate for election to the office of  
12   Representative in, or Delegate or Resident Commissioner  
13   to, the Congress, who, as determined by the Commission  
14   under section 511, is eligible to receive benefits under sub-  
15   title A of title V by reason of filing a declaration of partici-  
16   pation under section 302(e) and complying with the con-  
17   tinuing eligibility requirements under section 511.”

18       (b) IDENTIFICATION.—Section 301(13)(A) of such  
19   Act (2 U.S.C. 431(13)(A)) is amended by striking “mail-  
20   ing address” and inserting “permanent residence ad-  
21   dress”.

1 **Subtitle D—Tax on Excess Political**  
 2 **Expenditures of Certain Con-**  
 3 **gressional Campaign Funds**

4 **SEC. 141. TAX TREATMENT OF CERTAIN CAMPAIGN FUNDS.**

5 (a) GENERAL RULE.—Chapter 41 of the Internal  
 6 Revenue Code of 1986 is amended by adding at the end  
 7 thereof the following new subchapter:

8 **“Subchapter B—Excess Political Expendi-**  
 9 **tures of Certain Congressional Campaign**  
 10 **Funds**

“Sec. 4915. Tax on excess political expenditures of certain cam-  
 paign funds.

11 **“SEC. 4915. TAX ON EXCESS POLITICAL EXPENDITURES OF**  
 12 **CERTAIN CAMPAIGN FUNDS.**

13 “(a) IMPOSITION OF TAX.—If any applicable cam-  
 14 paign fund has excess political expenditures for any elec-  
 15 tion cycle, there is hereby imposed on such excess political  
 16 expenditures a tax equal to the amount of such excess po-  
 17 litical expenditures multiplied by the highest rate of tax  
 18 specified in section 11(b). Such tax shall be imposed for  
 19 the taxable year of such fund in which such election cycle  
 20 ends.

21 “(b) APPLICABLE CAMPAIGN FUND.—For purposes  
 22 of this section, the term ‘applicable campaign fund’ means  
 23 any political organization if—

1           “(1) such organization is designated by a can-  
 2       didate for election or nomination to the House of  
 3       Representatives as such candidate’s principal cam-  
 4       paign committee for purposes of section 302(e) of  
 5       the Federal Election Campaign Act of 1971 (2  
 6       U.S.C. 432(e)), and

7           “(2) such candidate has made contributions to  
 8       such political organization during the election cycle  
 9       in excess of the contribution limitation which would  
 10      have been applicable under section 501(a) or 512(a)  
 11      of such Act, whichever is applicable, if an election  
 12      under such section had been made.

13       “(c) EXCESS POLITICAL EXPENDITURES.—

14           “(1) IN GENERAL.—For purposes of this sec-  
 15      tion, the term ‘excess political expenditures’ means,  
 16      with respect to any election cycle, the excess (if any)  
 17      of the political expenditures incurred by the applica-  
 18      ble campaign fund during such cycle, over, in the  
 19      case of a House of Representatives candidate, the  
 20      expenditure ceiling which would have been applicable  
 21      under subtitle B of title V of such Act if an election  
 22      under such subtitle had been made.

23           “(2) SPECIAL RULE FOR DETERMINING  
 24      AMOUNT OF EXPENDITURES.—For purposes of para-  
 25      graph (1), in determining the amount of political ex-

1       penditures incurred by an applicable campaign fund,  
2       there shall be excluded any such expenditure which  
3       would not have been subject to the expenditure limi-  
4       tations of title V of the Federal Election Campaign  
5       Act of 1971 had such limitations been applicable,  
6       other than any such expenditure which would have  
7       been exempt from such limitations under section  
8       501(e) or 501(f) of such Act.

9       “(d) OTHER DEFINITIONS AND SPECIAL RULES.—  
10      For purposes of this section—

11           “(1) ELECTION CYCLE.—The term ‘election  
12       cycle’ has the meaning given such term by section  
13       301 of the Federal Election Campaign Act of 1971.

14           “(2) POLITICAL ORGANIZATION.—The term ‘po-  
15       litical organization’ has the meaning given to such  
16       term by section 527(e)(1).

17           “(3) CERTAIN RULES MADE APPLICABLE.—  
18       Rules similar to the rules of section 4911(e)(4) shall  
19       apply.”

20       (b) CLERICAL AMENDMENTS.—

21           (1) Chapter 41 of such Code is amended by  
22       striking the chapter heading and inserting the fol-  
23       lowing:

1 **“CHAPTER 41—LOBBYING AND POLITICAL**  
 2 **EXPENDITURES OF CERTAIN ORGANI-**  
 3 **ZATIONS**

“Subchapter A. Public charities.

“Subchapter B. Excess political expenditures of certain campaign funds.

4 **“Subchapter A—Public Charities”.**

5 (2) The table of sections for subtitle D of such  
 6 Code is amended by striking the item relating to  
 7 chapter 41 and inserting the following:

“Chapter 41. Lobbying and political expenditures of certain organizations.”

8 (c) EFFECTIVE DATE.—The amendments made by  
 9 this section shall apply to taxable years beginning after  
 10 December 31, 1996.

11 **TITLE II—INDEPENDENT**  
 12 **EXPENDITURES**

13 **SEC. 201. CLARIFICATION OF DEFINITIONS RELATING TO**  
 14 **INDEPENDENT EXPENDITURES.**

15 (a) INDEPENDENT EXPENDITURE DEFINITION  
 16 AMENDMENT.—Section 301 of the Federal Election Cam-  
 17 paign Act of 1971 (2 U.S.C. 431) is amended by striking  
 18 paragraphs (17) and (18) and inserting the following:

19 “(17)(A) The term ‘independent expenditure’ means  
 20 an expenditure that—

21 “(i) contains express advocacy; and

1           “(ii) is made without the participation or co-  
2           operation of and without consultation with a can-  
3           didate or a candidate’s representative.

4           “(B) The following shall not be considered an inde-  
5           pendent expenditure:

6           “(i) An expenditure made by—

7                   “(I) an authorized committee of a can-  
8                   didate for Federal office, or

9                   “(II) a political committee of a political  
10                  party.

11           “(ii) An expenditure if there is any arrange-  
12           ment, coordination, or direction with respect to the  
13           expenditure between the candidate or the candidate’s  
14           agent and the person making the expenditure.

15           “(iii) An expenditure if, in the same election  
16           cycle, the person making the expenditure is or has  
17           been—

18                   “(I) authorized to raise or expend funds on  
19                   behalf of the candidate or the candidate’s au-  
20                   thorized committees; or

21                   “(II) serving as a member, employee, or  
22                   agent of the candidate’s authorized committees  
23                   in an executive or policymaking position.

24           “(iv) An expenditure if the person making the  
25           expenditure retains the professional services of any

1 individual or other person also providing services in  
2 the same election cycle to the candidate in connec-  
3 tion with the candidate's pursuit of nomination for  
4 election, or election, to Federal office, including any  
5 services relating to the candidate's decision to seek  
6 Federal office. For purposes of this clause, the term  
7 'professional services' shall include any services  
8 (other than legal and accounting services solely for  
9 purposes of ensuring compliance with any Federal  
10 law) in support of any candidate's or candidates'  
11 pursuit of nomination for election, or election, to  
12 Federal office.

13 For purposes of this subparagraph, the person making the  
14 expenditure shall include any officer, director, employee,  
15 or agent of such person.

16 “(18)(A) The term ‘express advocacy’ means, when  
17 a communication is taken as a whole and with limited ref-  
18 erence to external events, an expression of support for or  
19 opposition to a specific candidate, to a specific group of  
20 candidates, or to candidates of a particular political party.

21 “(B) The term ‘expression of support for or opposi-  
22 tion to’ includes a suggestion to take action with respect  
23 to an election, such as to vote for or against, make con-  
24 tributions to, or participate in campaign activity, or to re-  
25 frain from taking action.”.

1 (b) CONTRIBUTION DEFINITION AMENDMENT.—Sec-  
 2 tion 301(8)(A) of such Act (2 U.S.C. 431(8)(A)) is  
 3 amended—

4 (1) in clause (i), by striking “or” after the  
 5 semicolon at the end;

6 (2) in clause (ii), by striking the period at the  
 7 end and inserting “; or”; and

8 (3) by adding at the end the following new  
 9 clause:

10 “(iii) any payment or other transaction referred  
 11 to in paragraph (17)(A)(i) that is not an independ-  
 12 ent expenditure under paragraph (17).”.

13 **SEC. 202. REPORTING REQUIREMENTS FOR CERTAIN INDE-**  
 14 **PENDENT EXPENDITURES.**

15 Section 304(c) of the Federal Election Campaign Act  
 16 of 1971 (2 U.S.C. 434(c)) is amended—

17 (1) in paragraph (2), by striking the undesig-  
 18 nated matter after subparagraph (C);

19 (2) by redesignating paragraph (3) as para-  
 20 graph (9); and

21 (3) by inserting after paragraph (2), as amend-  
 22 ed by paragraph (1), the following new paragraphs:

23 “(3)(A) Any person (including a political committee)  
 24 making independent expenditures (including those de-  
 25 scribed in subsection (b)(6)(B)(iii)) with respect to a can-

1 didate in an election aggregating \$1,000 or more made  
2 after the 20th day, but more than 24 hours, before the  
3 election shall file a report within 24 hours after such inde-  
4 pendent expenditures are made. An additional report shall  
5 be filed each time independent expenditures aggregating  
6 \$1,000 are made with respect to the same candidate after  
7 the latest report filed under this subparagraph.

8       “(B) Any person (including a political committee)  
9 making independent expenditures with respect to a can-  
10 didate in an election aggregating \$2,500 or more made  
11 at any time up to and including the 20th day before the  
12 election shall file a report within 48 hours after such inde-  
13 pendent expenditures are made. An additional report shall  
14 be filed each time independent expenditures aggregating  
15 \$2,500 are made with respect to the same candidate after  
16 the latest report filed under this paragraph.

17       “(C) A report under subparagraph (A) or (B) shall  
18 be filed with the Commission and the Secretary of State  
19 of the State involved, and shall identify each candidate  
20 whom the expenditure is actually intended to support or  
21 to oppose. Not later than 48 hours after the Commission  
22 receives a report, the Commission shall transmit a copy  
23 of the report to each candidate seeking nomination or elec-  
24 tion to that office.

1       “(D) For purposes of this section, an independent ex-  
2 penditure shall be considered to have been made upon the  
3 making of any payment or the taking of any action to  
4 incur an obligation for payment.

5       “(4)(A) If any person (including a political commit-  
6 tee) intends to make independent expenditures with re-  
7 spect to a candidate in an election totaling \$2,500 or more  
8 during the 20 days before an election, such person shall  
9 file a report no later than the 20th day before the election.

10       “(B) A report under subparagraph (A) shall be filed  
11 with the Commission and the Secretary of State of the  
12 State involved, and shall identify each candidate whom the  
13 expenditure is actually intended to support or to oppose.  
14 Not later than 48 hours after the Commission receives a  
15 report under this paragraph, the Commission shall trans-  
16 mit a copy of the statement to each candidate identified.

17       “(5) The Commission may, upon a request of a can-  
18 didate or on its own initiative, make its own determination  
19 that a person has made, or has incurred obligations to  
20 make, independent expenditures with respect to any can-  
21 didate in any election which in the aggregate exceed the  
22 applicable amounts under paragraph (3) or (4). The Com-  
23 mission shall notify each candidate in such election of such  
24 determination within 48 hours after making it. Any deter-

1 mination made at the request of a candidate shall be made  
2 within 48 hours of the request.

3 “(6) At the time at which an eligible House of Rep-  
4 resentatives candidate is notified under paragraph (3),  
5 (4), or (5) with respect to expenditures during a general  
6 election period, the Commission shall certify eligibility to  
7 receive benefits under section 504(a)(3)(B) or section  
8 513(f).

9 “(7)(A) A person that makes a reservation of broad-  
10 cast time to which section 315(a) of the Communications  
11 Act of 1947 (47 U.S.C. 315(a)) applies, the payment for  
12 which would constitute an independent expenditure, shall  
13 at the time of reservation—

14 “(i) inform the broadcast licensee that payment  
15 for the broadcast time will constitute an independent  
16 expenditure;

17 “(ii) inform the broadcast licensee of the names  
18 of all candidates for the office to which the proposed  
19 broadcast relates and state whether the message to  
20 be broadcast is intended to be made in support of  
21 or in opposition to each such candidate;

22 “(iii) transmit to all candidates for the office to  
23 which the proposed broadcast relates a script or tape  
24 recording of the communication, or an accurate sum-

1       mary of the communication if a script or tape re-  
2       cording is not available.”.

3       **TITLE III—CONTRIBUTIONS AND**  
4       **EXPENDITURES BY POLITI-**  
5       **CAL PARTY COMMITTEES**

6       **SEC. 301. DEFINITIONS.**

7       (a) CONTRIBUTION AND EXPENDITURE EXCEP-  
8       TIONS.—(1) Section 301(8)(B) of the Federal Election  
9       Campaign Act of 1971 (2 U.S.C. 431(8)(B)) is amend-  
10      ed—

11               (A) in clause (x)—

12                       (i) by striking “and” at the end of sub-  
13                       clause (2),

14                       (ii) by inserting “and” at the end of sub-  
15                       clause (3), and

16                       (iii) by adding at the end the following new  
17                       subclause:

18                       “(4) such activities are conducted solely by, and  
19                       any materials are prepared for distribution and  
20                       mailing and are distributed (if other than by mail-  
21                       ing) solely by, volunteers;”;

22               (B) in clause (xi), by striking “That” and all  
23       that follows through “Act;” and inserting “That—

1 “(1) such payments are made from contribu-  
2 tions subject to the limitations and prohibitions of  
3 this Act; and

4 “(2) such activities are conducted solely by, and  
5 any materials are prepared for distribution and  
6 mailing and are distributed (if other than by mail-  
7 ing) solely by, volunteers;” and

8 (C) in clause (xii)—

9 (i) by inserting “in connection with volun-  
10 teer activities” after “such committee”,

11 (ii) by striking “for President and Vice  
12 President”,

13 (iii) by striking “and” at the end of sub-  
14 clause (2),

15 (iv) by inserting “and” at the end of sub-  
16 clause (3), and

17 (v) by adding at the end the following new  
18 subclause:

19 “(4) such activities are conducted solely  
20 by, and any materials are prepared for distribu-  
21 tion and mailing and are distributed (if other  
22 than by mailing) solely by, volunteers;”.

23 (2) Section 301(9)(B) of such Act (2 U.S.C.  
24 431(9)(B)) is amended—

25 (A) in clause (viii)—

1 (i) by striking “and” at the end of sub-  
 2 clause (2),

3 (ii) by inserting “and” at the end of sub-  
 4 clause (3), and

5 (iii) by adding at the end the following new  
 6 subclause:

7 “(4) such activities are conducted solely  
 8 by, and any materials are prepared for distribu-  
 9 tion and mailing and are distributed (if other  
 10 than by mailing) solely by, volunteers;”; and  
 11 (B) in clause (ix)—

12 (i) by inserting “in connection with volun-  
 13 teer activities” after “such committee”,

14 (ii) by striking “for President or Vice  
 15 President”, and

16 (iii) by striking “and” at the end of sub-  
 17 clause (2), by inserting “and” at the end of  
 18 subclause (3), and by adding at the end the fol-  
 19 lowing new subclause:

20 “(4) such activities are conducted solely  
 21 by, and any materials are prepared for distribu-  
 22 tion and are distributed (if other than by mail-  
 23 ing) solely by, volunteers;”.

24 (b) GENERIC ACTIVITIES; STATE PARTY GRASS-  
 25 ROOTS FUND.—Section 301 of such Act (2 U.S.C. 431),

1 as amended by section 133, is further amended by adding  
 2 at the end the following new paragraphs:

3 “(30) The term ‘generic campaign activity’  
 4 means a campaign activity that promotes a political  
 5 party rather than any particular Federal or non-  
 6 Federal candidate.

7 “(31) The term ‘State Party Grassroots Fund’  
 8 means a separate segregated fund established and  
 9 maintained by a State committee of a political party  
 10 solely for purposes of making expenditures and other  
 11 disbursements described in section 324(d).”.

12 **SEC. 302. CONTRIBUTIONS TO POLITICAL PARTY COMMIT-**  
 13 **TEES.**

14 (a) INDIVIDUAL CONTRIBUTIONS TO STATE  
 15 PARTY.—Section 315(a)(1) of the Federal Election Cam-  
 16 paign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

17 (1) by striking “or” at the end of subparagraph  
 18 (B);

19 (2) by redesignating subparagraph (C) as sub-  
 20 paragraph (D); and

21 (3) by inserting after subparagraph (B) the fol-  
 22 lowing new subparagraph:

23 “(C) to—

24 “(i) a State Party Grassroots Fund estab-  
 25 lished and maintained by a State committee of

1 a political party in any calendar year which, in  
2 the aggregate, exceed \$20,000; or

3 “(ii) any other political committee estab-  
4 lished and maintained by a State committee of  
5 a political party in any calendar year which, in  
6 the aggregate, exceed \$5,000,

7 except that the aggregate contributions described in  
8 this subparagraph which may be made by a person  
9 to the State Party Grassroots Fund and all commit-  
10 tees of a State committee of a political party in any  
11 State in any calendar year shall not exceed \$20,000;  
12 or”.

13 (b) MULTICANDIDATE COMMITTEE CONTRIBUTIONS  
14 TO STATE PARTY.—Section 315(a)(2) of such Act (2  
15 U.S.C. 441a(a)(2)) is amended—

16 (1) by striking “or” at the end of subparagraph  
17 (B);

18 (2) by redesignating subparagraph (C) as sub-  
19 paragraph (D); and

20 (3) by inserting after subparagraph (B) the fol-  
21 lowing new subparagraph:

22 “(C) to—

23 “(i) a State Party Grassroots Fund estab-  
24 lished and maintained by a State committee of

1 a political party in any calendar year which, in  
2 the aggregate, exceed \$15,000; or

3 “(ii) to any other political committee estab-  
4 lished and maintained by a State committee of  
5 a political party which, in the aggregate, exceed  
6 \$5,000,

7 except that the aggregate contributions described in  
8 this subparagraph which may be made by a multi-  
9 candidate political committee to the State Party  
10 Grassroots Fund and all committees of a State com-  
11 mittee of a political party in any State in any cal-  
12 endar year shall not exceed \$15,000; or”.

13 (c) OVERALL LIMIT.—Section 315(a)(3) of such Act  
14 (2 U.S.C. 441a(a)(3)) is amended to read as follows:

15 “(3)(A) No individual shall make contributions dur-  
16 ing any election cycle which, in the aggregate, exceed  
17 \$100,000.

18 “(B) No individual shall make contributions during  
19 any calendar year—

20 “(i) to all candidates and their authorized polit-  
21 ical committees which, in the aggregate, exceed  
22 \$25,000; or

23 “(ii) to all political committees established and  
24 maintained by State committees of a political party  
25 which, in the aggregate, exceed \$20,000.

1       “(C) For purposes of subparagraph (B)(i), any con-  
 2       tribution made to a candidate or the candidate’s author-  
 3       ized political committees in a year other than the calendar  
 4       year in which the election is held with respect to which  
 5       such contribution is made shall be treated as made during  
 6       the calendar year in which the election is held.”.

7       (d) PRESIDENTIAL CANDIDATE COMMITTEE TRANS-  
 8       FERS.—(1) Section 315(b)(1) of such Act (2 U.S.C.  
 9       441a(b)(1)) is amended to read as follows:

10               “(B) in the case of a campaign for election to  
 11       such office, an amount equal to the sum of—

12                       “(i) \$20,000,000, plus

13                       “(ii) the amounts transferred by the can-  
 14       didate and the authorized committees of the  
 15       candidate to the national committee of the can-  
 16       didate’s political party for distribution to State  
 17       Party Grassroots Funds.

18       In no event shall the amount under subparagraph (B)(ii)  
 19       exceed 2 cents multiplied by the voting age population of  
 20       the United States (as certified under subsection (e)). The  
 21       Commission may require reporting of the transfers de-  
 22       scribed in subparagraph (B)(ii), may conduct an examina-  
 23       tion and audit of any such transfer, and may require the  
 24       return of the transferred amounts to the Presidential

1 Election Campaign Fund if not used for the appropriate  
 2 purpose.”

3 (2) Subparagraph (A) of section 9002(11) of the In-  
 4 ternal Revenue Code of 1986 is amended—

5 (A) by striking “or” at the end of clause (ii);  
 6 and

7 (B) in clause (iii), by striking “offices,” and in-  
 8 serting the following: “offices, or (iv) consisting of a  
 9 transfer to the national committee of the political  
 10 party of a candidate for the office of President or  
 11 Vice President for distribution to State Party Grass-  
 12 roots Funds (as defined in the Federal Election  
 13 Campaign Act of 1971) to the extent such transfers  
 14 do not exceed the amount determined under section  
 15 315(b)(1)(B)(ii) of such Act,”.

16 **SEC. 303. INCREASE IN THE AMOUNT THAT MULTICAN-**  
 17 **DIDATE POLITICAL COMMITTEES MAY CON-**  
 18 **TRIBUTE TO NATIONAL POLITICAL PARTY**  
 19 **COMMITTEES.**

20 Section 315(a)(2)(B) of the Federal Election Cam-  
 21 paign Act of 1971 (2 U.S.C. 441a(a)(2)(B)) is amended  
 22 by striking “\$15,000” and inserting “\$25,000”.

1 **SEC. 304. MERCHANDISING AND AFFINITY CARDS.**

2 Section 316 of the Federal Election Campaign Act  
3 of 1971 (2 U.S.C. 441b) is amended by adding at the end  
4 the following new subsection:

5 “(c) Notwithstanding the provisions of this section or  
6 any other provision of this Act to the contrary, an amount  
7 received from a corporation (including a State-chartered  
8 or national bank) by any political committee (other than  
9 a separate segregated fund established under section  
10 316(b)(2)(C)) shall be deemed to meet the limitations and  
11 prohibitions of this Act if such amount represents a com-  
12 mission or royalty on the sale of goods or services, or on  
13 the issuance of credit cards, by such corporation and if—

14 “(1) such goods, services, or credit cards are  
15 promoted by or in the name of the political commit-  
16 tee as a means of contributing to or supporting the  
17 political committee and are offered to consumers  
18 using the name of the political committee or using  
19 a message, design, or device created and owned by  
20 the political committee, or both;

21 “(2) the corporation is in the business of mer-  
22 chandising such goods or services, or of issuing such  
23 credit cards;

24 “(3) the royalty or commission has been offered  
25 by the corporation to the political committee in the  
26 ordinary course of the corporation’s business and on

1 the same terms and conditions as those on which  
2 such corporation offers royalties or commissions to  
3 nonpolitical entities;

4 “(4) all revenue on which the commission or  
5 royalty is based represents, or results from, sales to  
6 or fees paid by individual consumers in the ordinary  
7 course of retail transactions;

8 “(5) the costs of any unsold inventory of goods  
9 are ultimately borne by the political committee in ac-  
10 cordance with rules to be prescribed by the Commis-  
11 sion; and

12 “(6) except for any royalty or commission per-  
13 mitted to be paid by this subsection, no goods, serv-  
14 ices, or anything else of value is provided by such  
15 corporation to the political committee, except that  
16 such corporation may advance or finance costs or ex-  
17 tend credit in connection with the manufacture and  
18 distribution of goods, provision of services, or issu-  
19 ance of credit cards pursuant to this subsection if  
20 and to the extent such advance, financing, or exten-  
21 sion is undertaken in the ordinary course of the cor-  
22 poration’s business and is undertaken on similar  
23 terms by such corporation in its transactions with  
24 nonpolitical entities in like circumstances.”

1 **SEC. 305. PROVISIONS RELATING TO NATIONAL, STATE,**  
2 **AND LOCAL PARTY COMMITTEES.**

3 (a) SOFT MONEY OF COMMITTEES OF POLITICAL  
4 PARTIES.—Title III of the Federal Election Campaign Act  
5 of 1971 is amended by inserting after section 323 the fol-  
6 lowing new section:

7 “POLITICAL PARTY COMMITTEES

8 “SEC. 324. (a) LIMITATIONS ON NATIONAL COMMIT-  
9 TEE.—(1) A national committee of a political party and  
10 the congressional campaign committees of a political party  
11 may not solicit or accept contributions or transfers not  
12 subject to the limitations, prohibitions, and reporting re-  
13 quirements of this Act.

14 “(2) Paragraph (1) shall not apply to contributions—  
15 “(A) that—

16 “(i) are to be transferred to a State com-  
17 mittee of a political party and are used solely  
18 for activities described in clauses (xi) through  
19 (xvii) of paragraph (9)(B) of section 301; or

20 “(ii) are described in section  
21 301(8)(B)(viii); and

22 “(B) with respect to which contributors have  
23 been notified that the funds will be used solely for  
24 the purposes described in subparagraph (A).

25 “(b) ACTIVITIES SUBJECT TO THIS ACT.—Any  
26 amount solicited, received, expended, or disbursed directly

1 or indirectly by a national, State, district, or local commit-  
2 tee of a political party with respect to any of the following  
3 activities shall be subject to the limitations, prohibitions,  
4 and reporting requirements of this Act:

5 “(1)(A) Any get-out-the-vote activity conducted  
6 during a calendar year in which an election for the  
7 office of President is held.

8 “(B) Any other get-out-the-vote activity unless  
9 subsection (c)(2) applies to the activity.

10 “(2) Any generic campaign activity.

11 “(3) Any activity that identifies or promotes a  
12 Federal candidate, regardless of whether—

13 “(A) a State or local candidate is also  
14 identified or promoted; or

15 “(B) any portion of the funds disbursed  
16 constitutes a contribution or expenditure under  
17 this Act.

18 “(4) Voter registration.

19 “(5) Development and maintenance of voter  
20 files during an even-numbered calendar year.

21 “(6) Any other activity that—

22 “(A) significantly affects a Federal elec-  
23 tion, or

24 “(B) is not otherwise described in section  
25 301(9)(B)(xvii).

1 Any amount spent to raise funds that are used, in whole  
2 or in part, in connection with activities described in the  
3 preceding paragraphs shall be subject to the limitations,  
4 prohibitions, and reporting requirements of this Act.

5 “(c) GET-OUT-THE-VOTE ACTIVITIES BY STATE,  
6 DISTRICT, AND LOCAL COMMITTEES OF POLITICAL PAR-  
7 TIES.—(1) Except as provided in paragraph (2), any get-  
8 out-the-vote activity for a State or local candidate, or for  
9 a ballot measure, which is conducted by a State, district,  
10 or local committee of a political party shall be subject to  
11 the limitations, prohibitions, and reporting requirements  
12 of this Act.

13 “(2) Paragraph (1) shall not apply to any activity  
14 which the State committee of a political party certifies to  
15 the Commission is an activity which—

16 “(A) is conducted during a calendar year other  
17 than a calendar year in which an election for the of-  
18 fice of President is held,

19 “(B) is exclusively on behalf of (and specifically  
20 identifies only) one or more State or local candidates  
21 or ballot measures, and

22 “(C) does not include any effort or means used  
23 to identify or turn out those identified to be support-  
24 ers of any Federal candidate (including any activity

1       that is undertaken in coordination with, or on behalf  
2       of, a candidate for Federal office).

3       “(d) STATE PARTY GRASSROOTS FUNDS.—(1) A  
4 State committee of a political party may make disburse-  
5 ments and expenditures from its State Party Grassroots  
6 Fund only for—

7               “(A) any generic campaign activity;

8               “(B) payments described in clauses (v), (x), and  
9       (xii) of paragraph (8)(B) and clauses (iv), (viii), and  
10       (ix) of paragraph (9)(B) of section 301;

11              “(C) subject to the limitations of section  
12       315(d), payments described in clause (xii) of para-  
13       graph (8)(B), and clause (ix) of paragraph (9)(B),  
14       of section 301 on behalf of candidates other than for  
15       President and Vice President;

16              “(D) voter registration; and

17              “(E) development and maintenance of voter  
18       files during an even-numbered calendar year.

19       “(2) Notwithstanding section 315(a)(4), no funds  
20 may be transferred by a State committee of a political  
21 party from its State Party Grassroots Fund to any other  
22 State Party Grassroots Fund or to any other political com-  
23 mittee, except a transfer may be made to a district or local  
24 committee of the same political party in the same State  
25 if such district or local committee—

1           “(A) has established a separate segregated fund  
2           for the purposes described in paragraph (1); and

3           “(B) uses the transferred funds solely for those  
4           purposes.

5           “(e) AMOUNTS RECEIVED BY GRASSROOTS FUND  
6 FROM STATE AND LOCAL CANDIDATE COMMITTEES.—(1)  
7 Any amount received by a State Party Grassroots Fund  
8 from a State or local candidate committee for expenditures  
9 described in subsection (b) that are for the benefit of that  
10 candidate shall be treated as meeting the requirements of  
11 subsection (b) and section 304(e) if—

12           “(A) such amount is derived from funds which  
13           meet the requirements of this Act with respect to  
14           any limitation or prohibition as to source or dollar  
15           amount specified in section 315(a) (1)(A) and  
16           (2)(A); and

17           “(B) the State or local candidate committee—

18           “(i) maintains, in the account from which  
19           payment is made, records of the sources and  
20           amounts of funds for purposes of determining  
21           whether such requirements are met; and

22           “(ii) certifies that such requirements were  
23           met.

1       “(2) For purposes of paragraph (1)(A), in determin-  
2 ing whether the funds transferred meet the requirements  
3 of this Act described in such paragraph—

4               “(A) a State or local candidate committee’s  
5 cash on hand shall be treated as consisting of the  
6 funds most recently received by the committee, and

7               “(B) the committee must be able to dem-  
8 onstrate that its cash on hand contains sufficient  
9 funds meeting such requirements as are necessary to  
10 cover the transferred funds.

11       “(3) Notwithstanding paragraph (1), any State Party  
12 Grassroots Fund receiving any transfer described in para-  
13 graph (1) from a State or local candidate committee shall  
14 be required to meet the reporting requirements of this Act,  
15 and shall submit to the Commission all certifications re-  
16 ceived, with respect to receipt of the transfer from such  
17 candidate committee.

18       “(4) For purposes of this subsection, a State or local  
19 candidate committee is a committee established, financed,  
20 maintained, or controlled by a candidate for other than  
21 Federal office.

22       “(f) RELATED ENTITIES.—The provisions of this Act  
23 shall apply to any entity that is established, financed, or  
24 maintained by a national committee or State committee

1 of a political party in the same manner as they apply to  
 2 the national or State committee.”

3 (b) CONTRIBUTIONS AND EXPENDITURES.—

4 (1) CONTRIBUTIONS.—Section 301(8)(B) of  
 5 such Act (2 U.S.C. 431(8)(B)) is amended—

6 (A) in clause (viii), by inserting after  
 7 “Federal office” the following: “, or any  
 8 amounts received by the committees of any na-  
 9 tional political party to support the operation of  
 10 a television and radio broadcast facility”;

11 (B) by striking “and” at the end of clause  
 12 (xiii);

13 (C) by striking clause (xiv); and

14 (D) by adding at the end the following new  
 15 clauses:

16 “(xiv) any amount contributed to a  
 17 candidate for other than Federal office;

18 “(xv) any amount received or ex-  
 19 pended to pay the costs of a State or local  
 20 political convention;

21 “(xvi) any payment for campaign ac-  
 22 tivities that are exclusively on behalf of  
 23 (and specifically identify only) State or  
 24 local candidates and do not identify any  
 25 Federal candidate, and that are not activi-

1 ties described in section 324(b) (without  
2 regard to paragraph (6)(B)) or section  
3 324(c)(1);

4 “(xvii) any payment for administrative  
5 expenses of a State or local committee of  
6 a political party, including expenses for—

7 “(I) overhead, including party  
8 meetings;

9 “(II) staff (other than individuals  
10 devoting a significant amount of their  
11 time to elections for Federal office  
12 and individuals engaged in conducting  
13 get-out-the-vote activities for a Fed-  
14 eral election); and

15 “(III) conducting party elections  
16 or caucuses;

17 “(xviii) any payment for research per-  
18 taining solely to State and local candidates  
19 and issues;

20 “(xix) any payment for development  
21 and maintenance of voter files other than  
22 during the 1-year period ending on the  
23 date during an even-numbered calendar  
24 year on which regularly scheduled general  
25 elections for Federal office occur; and

1 “(xx) any payment for any other ac-  
2 tivity which is solely for the purpose of in-  
3 fluencing, and which solely affects, an elec-  
4 tion for non-Federal office and which is  
5 not an activity described in section 324(b)  
6 (without regard to paragraph (6)(B)) or  
7 section 324(c)(1).”.

8 (2) EXPENDITURES.—Section 301(9)(B) of  
9 such Act (2 U.S.C. 431(9)(B)) is amended—

10 (A) by striking “and” at the end of clause  
11 (ix);

12 (B) by striking the period at the end of  
13 clause (x) and inserting a semicolon; and

14 (C) by adding at the end the following new  
15 clauses:

16 “(xi) any amount contributed to a  
17 candidate for other than Federal office;

18 “(xii) any amount received or ex-  
19 pended to pay the costs of a State or local  
20 political convention;

21 “(xiii) any payment for campaign ac-  
22 tivities that are exclusively on behalf of  
23 (and specifically identify only) State or  
24 local candidates and do not identify any  
25 Federal candidate, and that are not activi-

1           ties described in section 324(b) (without  
2           regard to paragraph (6)(B)) or section  
3           324(c)(1);

4           “(xiv) any payment for administrative  
5           expenses of a State or local committee of  
6           a political party, including expenses for—

7                   “(I) overhead, including party  
8                   meetings;

9                   “(II) staff (other than individuals  
10                  devoting a significant amount of their  
11                  time to elections for Federal office  
12                  and individuals engaged in conducting  
13                  get-out-the-vote activities for a Fed-  
14                  eral election); and

15                  “(III) conducting party elections  
16                  or caucuses;

17           “(xv) any payment for research per-  
18           taining solely to State and local candidates  
19           and issues;

20           “(xvi) any payment for development  
21           and maintenance of voter files other than  
22           during the 1-year period ending on the  
23           date during an even-numbered calendar  
24           year on which regularly scheduled general  
25           elections for Federal office occur; and

1                   “(xvii) any payment for any other ac-  
 2                   tivity which is solely for the purpose of in-  
 3                   fluencing, and which solely affects, an elec-  
 4                   tion for non-Federal office and which is  
 5                   not an activity described in section 324(b)  
 6                   (without regard to paragraph (6)(B)) or  
 7                   section 324(c)(1).”.

8           (c) LIMITATION APPLIED AT NATIONAL LEVEL; PER-  
 9   MITTING COMMITTEES TO MATCH INDEPENDENT EX-  
 10   PENDITURES MADE ON OPPONENT’S BEHALF.—Section  
 11   315(d) of such Act (2 U.S.C. 441a(d)) is amended—

12                   (1) in paragraph (3), by striking “The national  
 13                   committee” and inserting “Subject to paragraph (4),  
 14                   the national committee”; and

15                   (2) by adding at the end the following new  
 16                   paragraph:

17                   “(4)(A) Notwithstanding paragraph (3), the applica-  
 18                   ble congressional campaign committee of a political party  
 19                   shall make the expenditures described in such paragraph  
 20                   which are authorized to be made by a national or State  
 21                   committee with respect to a candidate in any State unless  
 22                   it allocates all or a portion of such expenditures to either  
 23                   or both of such committees.

24                   “(B) For purposes of paragraph (3), in determining  
 25                   the amount of expenditures of a national or State commit-

tee of a political party in connection with the general election campaign of a candidate for election to the office of Representative, Delegate, or Resident Commissioner, there shall be excluded an amount equal to the total amount of independent expenditures made during the campaign on behalf of candidates opposing the candidate.”.

(d) LIMITATIONS APPLY FOR ENTIRE ELECTION CYCLE.—Section 315(d)(1) of such Act (2 U.S.C. 441a(d)(1)) is amended by adding at the end the following new sentence: “Each limitation under the following paragraphs shall apply to the entire election cycle for an office.”.

**SEC. 306. RESTRICTIONS ON FUNDRAISING BY CANDIDATES  
AND OFFICEHOLDERS.**

(a) STATE FUNDRAISING ACTIVITIES.—Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a), as amended by section 122, is further amended by adding at the end the following new subsection:

“(j) LIMITATIONS ON FUNDRAISING ACTIVITIES OF FEDERAL CANDIDATES AND OFFICEHOLDERS AND CERTAIN POLITICAL COMMITTEES.—(1) For purposes of this Act, a candidate for Federal office, an individual holding Federal office, or any agent of the candidate or individual may not solicit funds to, or receive funds on behalf of,

1 any Federal or non-Federal candidate or political commit-  
2 tee—

3 “(A) which are to be expended in connection  
4 with any election for Federal office unless such  
5 funds are subject to the limitations, prohibitions,  
6 and requirements of this Act; or

7 “(B) which are to be expended in connection  
8 with any election for other than Federal office unless  
9 such funds are not in excess of amounts permitted  
10 with respect to Federal candidates and political com-  
11 mittees under subsections (a) (1) and (2), and are  
12 not from sources prohibited by such subsections with  
13 respect to elections to Federal office.

14 “(2)(A) The aggregate amount which a person de-  
15 scribed in subparagraph (B) may solicit from a multican-  
16 didate political committee for State committees described  
17 in subsection (a)(1)(C) (including subordinate commit-  
18 tees) for any calendar year shall not exceed the dollar  
19 amount in effect under subsection (a)(2)(B) for the cal-  
20 endar year.

21 “(B) A person is described in this subparagraph if  
22 such person is a candidate for Federal office, an individual  
23 holding Federal office, an agent of such a candidate or  
24 individual, or any national, State, district, or local commit-

tee of a political party (including a subordinate committee)  
and any agent of such a committee.

“(3) The appearance or participation by a candidate  
for Federal office or individual holding Federal office in  
any fundraising event conducted by a committee of a political party or a candidate for other than Federal office shall  
not be treated as a solicitation for purposes of paragraph  
(1) if such candidate or individual does not solicit or receive, or make disbursements from, any funds resulting  
from such activity.

“(4) Paragraph (1) shall not apply to the solicitation  
or receipt of funds, or disbursements, by an individual who  
is a candidate for other than Federal office if such activity  
is permitted under State law.

“(5) For purposes of this subsection, an individual  
shall be treated as holding Federal office if such individual—

“(A) holds a Federal office; or

“(B) holds a position described in level I of the  
Executive Schedule under section 5312 of title 5,  
United States Code.”.

(b) TAX-EXEMPT ORGANIZATIONS.—Section 315 of  
such Act (2 U.S.C. 441a), as amended by section 122 and  
subsection (a), is further amended by adding at the end  
the following new subsection:

1       “(k) TAX-EXEMPT ORGANIZATIONS.—(1) If an indi-  
 2       vidual is a candidate for, or holds, Federal office during  
 3       any period, such individual may not during such period  
 4       solicit contributions to, or on behalf of, any organization  
 5       which is described in section 501(c) of the Internal Reve-  
 6       nue Code of 1986 if—

7               “(A) the organization is established, main-  
 8       tained, or controlled by such individual; and

9               “(B) a significant portion of the activities of  
 10       such organization include voter registration or get-  
 11       out-the-vote campaigns.

12       “(2) For purposes of this subsection, an individual  
 13       shall be treated as holding Federal office if such individ-  
 14       ual—

15               “(A) holds a Federal office; or

16               “(B) holds a position described in level I of the  
 17       Executive Schedule under section 5312 of title 5,  
 18       United States Code.”.

19   **SEC. 307. REPORTING REQUIREMENTS.**

20       (a) REPORTING REQUIREMENTS.—Section 304 of the  
 21       Federal Election Campaign Act of 1971 (2 U.S.C. 434)  
 22       is amended by adding at the end the following new sub-  
 23       section:

24       “(d) POLITICAL COMMITTEES.—(1) The national  
 25       committee of a political party and any congressional cam-

1   paign committee of a political party, and any subordinate  
2   committee of either, shall report all receipts and disburse-  
3   ments during the reporting period, whether or not in con-  
4   nection with an election for Federal office.

5       “(2) A State, district, or local committee of a political  
6   party to which section 324 applies shall report all receipts  
7   and disbursements for the reporting period, including sep-  
8   arate schedules for receipts and disbursements for State  
9   Grassroots Funds.

10       “(3) Any political committee shall include in its re-  
11   port under paragraph (1) or (2) the amount of any trans-  
12   fer described in section 324(d)(2) and shall itemize such  
13   amounts to the extent required by section 304(b)(3)(A).

14       “(4) The Commission may prescribe regulations to  
15   require any political committee to which paragraph (1) or  
16   (2) does not apply to report any receipts or disbursements  
17   used in connection with a Federal election, including those  
18   which are also used, directly or indirectly, to affect a State  
19   or local election.

20       “(5) If a political committee has receipts or disburse-  
21   ments to which this subsection applies from any person  
22   aggregating in excess of \$200 for any calendar year, the  
23   political committee shall separately itemize its reporting  
24   for such person in the same manner as subsection (b)  
25   (3)(A), (5), or (6).

1 “(6) Reports required to be filed by this subsection  
2 shall be filed for the same time periods required for politi-  
3 cal committees under subsection (a).”.

4 (b) REPORT OF EXEMPT CONTRIBUTIONS.—Section  
5 301(8) of such Act (2 U.S.C. 431(8)) is amended by in-  
6 serting at the end the following new subparagraph:

7 “(C) The exclusion provided in clause (viii) of sub-  
8 paragraph (B) shall not apply for purposes of any require-  
9 ment to report contributions under this Act, and all such  
10 contributions aggregating in excess of \$200 (and disburse-  
11 ments therefrom) shall be reported.”.

12 (c) REPORTS BY STATE COMMITTEES.—Section 304  
13 of such Act (2 U.S.C. 434), as amended by subsection (a),  
14 is further amended by adding at the end the following new  
15 subsection:

16 “(e) FILING OF STATE REPORTS.—In lieu of any re-  
17 port required to be filed by this Act, the Commission may  
18 allow a State committee of a political party to file with  
19 the Commission a report required to be filed under State  
20 law if the Commission determines such reports contain  
21 substantially the same information.”.

22 (d) OTHER REPORTING REQUIREMENTS.—

23 (1) AUTHORIZED COMMITTEES.—Section  
24 304(b)(4) of such Act (2 U.S.C. 434(b)(4)) is  
25 amended—

1 (A) by striking “and” at the end of sub-  
 2 paragraph (H);

3 (B) by adding “and” at the end of sub-  
 4 paragraph (I); and

5 (C) by adding at the end the following new  
 6 subparagraph:

7 “(J) in the case of an authorized commit-  
 8 tee, disbursements for the primary election, the  
 9 general election, and any other election in which  
 10 the candidate participates;”.

11 (2) NAMES AND ADDRESSES.—Section  
 12 304(b)(5)(A) of such Act (2 U.S.C. 434(b)(5)(A)) is  
 13 amended—

14 (A) by striking “within the calendar year”,  
 15 and

16 (B) by inserting “, and the election to  
 17 which the operating expenditure relates” after  
 18 “operating expenditure”.

## 19 **TITLE IV—CONTRIBUTIONS**

### 20 **SEC. 401. RESTRICTIONS ON BUNDLING.**

21 Section 315(a)(8) of the Federal Election Campaign  
 22 Act of 1971 (2 U.S.C. 441a(a)(8)) is amended to read  
 23 as follows:

1       “(8)(A) No person, either directly or indirectly, may  
2 act as a conduit or intermediary for any contribution to  
3 a candidate.

4       “(B)(i) Nothing in this section shall prohibit—

5               “(I) joint fundraising conducted in accordance  
6 with rules prescribed by the Commission by 2 or  
7 more candidates; or

8               “(II) fundraising for the benefit of a candidate  
9 that is conducted by another candidate.

10       “(ii) No other person may conduct or otherwise par-  
11 ticipate in joint fundraising activities with or on behalf  
12 of any candidate.

13       “(C) The term ‘conduit or intermediary’ means a per-  
14 son who transmits a contribution to a candidate or can-  
15 didate’s committee or representative from another person,  
16 except that—

17               “(i) a House of Representatives candidate or  
18 representative of a House of Representatives can-  
19 didate is not a conduit or intermediary for the pur-  
20 pose of transmitting contributions to the candidate’s  
21 principal campaign committee or authorized commit-  
22 tee;

23               “(ii) a professional fundraiser is not a conduit  
24 or intermediary, if the fundraiser is compensated for

1 fundraising services at the usual and customary  
2 rate;

3 “(iii) a volunteer hosting a fundraising event at  
4 the volunteer’s home, in accordance with section  
5 301(8)(b), is not a conduit or intermediary for the  
6 purposes of that event; and

7 “(iv) an individual is not a conduit or  
8 intermediary for the purpose of transmitting a con-  
9 tribution from the individual’s spouse.

10 For purposes of this section a conduit or intermediary  
11 transmits a contribution when receiving or otherwise tak-  
12 ing possession of the contribution and forwarding it di-  
13 rectly to the candidate or the candidate’s committee or  
14 representative.

15 “(D) For purposes of this section, the term ‘rep-  
16 resentative’—

17 “(i) shall mean a person who is expressly au-  
18 thorized by the candidate to engage in fundraising,  
19 and who, in the case of an individual, is not acting  
20 as an officer, employee, or agent of any other per-  
21 son;

22 “(ii) shall not include—

23 “(I) a political committee with a connected  
24 organization;

25 “(II) a political party;

1 “(III) a partnership or sole proprietorship;

2 “(IV) an organization prohibited from  
3 making contributions under section 316; or

4 “(V) a person required to register under  
5 the Lobbying Disclosure Act of 1995 (2 U.S.C.  
6 1601 et seq.).

7 “(E) For purposes of this section, the term ‘acting  
8 as an officer, employee, or agent of any other person’ in-  
9 cludes the following activities by a salaried officer, em-  
10 ployee, or paid agent of a person described in subpara-  
11 graph (D)(ii)(IV):

12 “(i) Soliciting contributions to a particular can-  
13 didate in the name of, or by using the name of, such  
14 a person.

15 “(ii) Soliciting contributions to a particular  
16 candidate using other than the incidental resources  
17 of such a person.

18 “(iii) Soliciting contributions to a particular  
19 candidate under the direction or control of other sal-  
20 aried officers, employees, or paid agents of such a  
21 person.

22 For purposes of this subparagraph, the term ‘agent’ shall  
23 include any person (other than individual members of an  
24 organization described in subparagraph (b)(4)(C) of sec-

tion 316) acting on authority or under the direction of  
such organization.”.

**SEC. 402. CONTRIBUTIONS BY DEPENDENTS NOT OF VOT-  
ING AGE.**

Section 315 of the Federal Election Campaign Act  
of 1971 (2 U.S.C. 441a), as amended by sections 122 and  
306, is further amended by adding at the end the following  
new subsection:

“(1) For purposes of this section, any contribution by  
an individual who—

“(1) is a dependent of another individual; and

“(2) has not, as of the time of such contribu-  
tion, attained the legal age for voting for elections  
to Federal office in the State in which such individ-  
ual resides,

shall be treated as having been made by such other indi-  
vidual. If such individual is the dependent of another indi-  
vidual and such other individual’s spouse, the contribution  
shall be allocated among such individuals in the manner  
determined by them.”.

**SEC. 403. PROHIBITION OF ACCEPTANCE BY A CANDIDATE  
OF CASH CONTRIBUTIONS FROM ANY ONE  
PERSON AGGREGATING MORE THAN \$100.**

Section 321 of the Federal Election Campaign Act  
of 1971 (2 U.S.C. 441g) is amended by inserting “, and

1 no candidate or authorized committee of a candidate shall  
2 accept from any one person,” after “make”.

3 **SEC. 404. CONTRIBUTIONS TO CANDIDATES FROM STATE**  
4 **AND LOCAL COMMITTEES OF POLITICAL PAR-**  
5 **TIES TO BE AGGREGATED.**

6 Section 315(a) of the Federal Election Campaign Act  
7 of 1971 (2 U.S.C. 441a(a)), as amended by section 121,  
8 is further amended by adding at the end the following new  
9 paragraph:

10 “(10) Notwithstanding paragraph (5)(B), a can-  
11 didate for Federal office may not accept, with respect to  
12 an election, any contribution from a State or local commit-  
13 tee of a political party (including any subordinate commit-  
14 tee of such committee) if such contribution, when added  
15 to the total of contributions previously accepted from all  
16 such committees of that political party, exceeds a limita-  
17 tion on contributions to a candidate under this section.”.

18 **SEC. 405. PROHIBITION OF FALSE REPRESENTATION TO**  
19 **SOLICIT CONTRIBUTIONS.**

20 Section 322 of the Federal Election Campaign Act  
21 of 1971 (2 U.S.C. 441h) is amended—

22 (1) by inserting after “SEC. 322.” the follow-  
23 ing: “(a)”; and

24 (2) by adding at the end the following:

1       “(b) No person shall solicit contributions by falsely  
 2       representing himself or herself as a candidate or as a rep-  
 3       resentative of a candidate, a political committee, or a polit-  
 4       ical party.”.

5       **SEC. 406. LIMITED EXCLUSION OF ADVANCES BY CAM-**  
 6                               **PAIGN WORKERS FROM THE DEFINITION OF**  
 7                               **THE TERM “CONTRIBUTION”.**

8       Section 301(8)(B) of the Federal Election Campaign  
 9       Act of 1971 (2 U.S.C. 431(8)(B)), as amended by section  
 10      305, is amended—

11               (1) in clause (xix), by striking “and” after the  
 12      semicolon at the end;

13               (2) in clause (xx), by striking the period at the  
 14      end and inserting: “; and”; and

15               (3) by adding at the end the following new  
 16      clause:

17               “(xxi) any advance voluntarily made on behalf  
 18      of an authorized committee of a candidate by an in-  
 19      dividual in the normal course of such individual’s re-  
 20      sponsibilities as a volunteer for, or employee of, the  
 21      committee, if the advance is reimbursed by the com-  
 22      mittee within 10 days after the date on which the  
 23      advance is made, and the value of advances on be-  
 24      half of a committee does not exceed \$500 with re-  
 25      spect to an election.”.

1 **SEC. 407. AMENDMENT TO SECTION 316 OF THE FEDERAL**  
2 **ELECTION CAMPAIGN ACT OF 1971.**

3 Section 316(b)(2) of the Federal Election Campaign  
4 Act of 1971 (2 U.S.C. 441b(b)(2)) is amended—

5 (1) by striking “(2) For” and inserting “(2)(A)  
6 Except as provided in subparagraph (B), for”;

7 (2) by redesignating subparagraphs (A), (B),  
8 and (C) as clauses (i), (ii), and (iii), respectively;  
9 and

10 (3) by adding at the end the following:

11 “(B) Payments by a corporation or labor organization  
12 for candidate debates, voter guides, or voting records di-  
13 rected to the general public shall be considered contribu-  
14 tions unless—

15 “(i) in the case of a candidate debate, the orga-  
16 nization staging the debate is either an organization  
17 described in section 301 (9)(B)(i) whose broadcasts,  
18 cablecasts, or publications are supported by commer-  
19 cial advertising, subscriptions, or sales to the public,  
20 including a noncommercial educational broadcaster,  
21 or a nonprofit organization exempt from Federal  
22 taxation under section 501(c)(3) or 501(c)(4) of the  
23 Internal Revenue Code of 1986 that does not en-  
24 dorse, support, or oppose candidates or political par-  
25 ties, and any such debate features at least 2 can-  
26 didates competing for election to that office;

1           “(ii) in the case of a voter guide, the guide is  
2       prepared and distributed by a corporation or labor  
3       organization and consists of questions posed to at  
4       least two candidates for election to that office; and

5           “(iii) in the case of a voting record, the record  
6       is prepared and distributed by a corporation or labor  
7       organization at the end of a session of Congress and  
8       consists solely of votes by all Members of Congress  
9       in that session on one or more issues;

10      except that such payments shall be treated as contribu-  
11      tions if any communication made by a corporation or labor  
12      organization in connection with the candidate debate,  
13      voter guide, or voting record contains express advocacy,  
14      or any structure or format of the candidate debate, voter  
15      guide, or voting record, or any preparation or distribution  
16      of any such guide or record, reflects a purpose of influenc-  
17      ing the election of a particular candidate.”.

18      **SEC. 408. PROHIBITION OF CERTAIN ELECTION-RELATED**

19                      **ACTIVITIES OF FOREIGN NATIONALS.**

20           Section 319 of the Federal Election Campaign Act  
21      of 1971 (2 U.S.C. 441e) is amended by adding at the end  
22      the following new subsection:

23           “(c) A foreign national shall not directly or indirectly  
24      direct, control, influence, or participate in any person’s  
25      election-related activities, such as the making of contribu-

1 tions or expenditures in connection with elections for any  
 2 local, State, or Federal office or the administration of a  
 3 political committee.”.

## 4 **TITLE V—REPORTING** 5 **REQUIREMENTS**

### 6 **SEC. 501. CHANGE IN CERTAIN REPORTING FROM A CAL-** 7 **ENDAR YEAR BASIS TO AN ELECTION CYCLE** 8 **BASIS.**

9 Paragraphs (2), (3), (4), (6), and (7) of section  
 10 304(b) of the Federal Election Campaign Act of 1971 (2  
 11 U.S.C. 434(b) (2)–(7)) are each amended by inserting  
 12 “(election cycle, in the case of an authorized committee  
 13 of a candidate for Federal office)” after “calendar year”  
 14 each place it appears.

### 15 **SEC. 502. DISCLOSURE OF PERSONAL AND CONSULTING** 16 **SERVICES.**

17 (a) REPORTING BY POLITICAL COMMITTEES.—Sec-  
 18 tion 304(b)(5)(A) of the Federal Election Campaign Act  
 19 of 1971 (2 U.S.C. 434(b)(5)(A)) is amended by adding  
 20 before the semicolon at the end the following: “, except  
 21 that if a person to whom an expenditure is made by a  
 22 candidate or the candidate’s authorized committees is  
 23 merely providing personal or consulting services and is in  
 24 turn making expenditures to other persons (not including  
 25 its owners or employees) who provide goods or services to

1 the candidate or the candidate's authorized committees,  
 2 the name and address of such other person, together with  
 3 the date, amount and purpose of such expenditure shall  
 4 also be disclosed”.

5 (b) RECORDKEEPING AND REPORTING BY PERSONS  
 6 TO WHOM EXPENDITURES ARE PASSED THROUGH.—Sec-  
 7 tion 302 of such Act (2 U.S.C. 432) is amended by adding  
 8 at the end the following new subsection:

9 “(j) The person described in section 304(b)(5)(A)  
 10 who is providing personal or consulting services and who  
 11 is in turn making expenditures to other persons (not in-  
 12 cluding employees) for goods or services provided to a can-  
 13 didate shall maintain records of and shall provide to a po-  
 14 litical committee the information necessary to enable the  
 15 political committee to report the information described in  
 16 section 304(b)(5)(A).”.

17 **SEC. 503. POLITICAL COMMITTEES OTHER THAN CAN-**  
 18 **DIDATE COMMITTEES.**

19 Section 303(b) of the Federal Election Campaign Act  
 20 of 1971 (2 U.S.C. 433(b)) is amended—

21 (1) in paragraph (2), by inserting “, and if the  
 22 organization or committee is incorporated, the State  
 23 of incorporation” after “committee”; and

24 (2) by striking the “name and address of the  
 25 treasurer” in paragraph (4) and inserting “the

1 names and addresses of any officers (including the  
2 treasurer)”.’.

3 **SEC. 504. USE OF CANDIDATES’ NAMES.**

4 Section 302(e)(4) of the Federal Election Campaign  
5 Act of 1971 (2 U.S.C. 432(e)(4)) is amended to read as  
6 follows:

7 “(4)(A) The name of each authorized committee shall  
8 include the name of the candidate who authorized the com-  
9 mittee under paragraph (1).

10 “(B) A political committee that is not an authorized  
11 committee shall not—

12 “(i) include the name of any candidate in its  
13 name, or

14 “(ii) except in the case of a national, State, or  
15 local party committee, use the name of any can-  
16 didate in any activity on behalf of such committee  
17 in such a context as to suggest that the committee  
18 is an authorized committee of the candidate or that  
19 the use of the candidate’s name has been authorized  
20 by the candidate.”.

21 **SEC. 505. REPORTING REQUIREMENTS.**

22 (a) FILING ON THE 20TH DAY OF A MONTH.—Sec-  
23 tion 304(a) of the Federal Election Campaign Act of 1971  
24 (2 U.S.C. 434(a)) is amended—

1           (1) in paragraph (2)(A)(iii), by striking “15th”  
2           and inserting “20th”;

3           (2) in paragraph (3)(B)(ii), by striking “15th”  
4           and inserting “20th”;

5           (3) in paragraph (4)(A)(i), by striking “15th”  
6           and inserting “20th”; and

7           (4) in paragraph (8), by striking “15th” and  
8           inserting “20th”.

9           (b) OPTION TO FILE MONTHLY REPORTS.—Section  
10          304(a)(2) of such Act (2 U.S.C. 434(a)(2)) is amended—

11           (1) in subparagraph (A), by striking “and” at  
12           the end;

13           (2) in subparagraph (B), by striking the period  
14           at the end and inserting “; and”; and

15           (3) by inserting the following new subparagraph  
16           at the end:

17           “(C) in lieu of the reports required by subpara-  
18           graphs (A) and (B), the treasurer may file monthly  
19           reports in all calendar years, which shall be filed no  
20           later than the 20th day after the last day of the  
21           month and shall be complete as of the last day of  
22           the month, except that, in lieu of filing the reports  
23           otherwise due in November and December of any  
24           year in which a regularly scheduled general election  
25           is held, a pre-primary election report and a pre-gen-

1       eral election report shall be filed in accordance with  
2       subparagraph (A)(i), a post-general election report  
3       shall be filed in accordance with subparagraph  
4       (A)(ii), and a year end report shall be filed no later  
5       than January 31 of the following calendar year.”.

6       (c) POLITICAL COMMITTEES.—Section 304(a)(4) of  
7       such Act (2 U.S.C. 434(a)(4)) is amended in subpara-  
8       graph (A)(i) by inserting “, and except that if at any time  
9       during the election year a committee receives contributions  
10      in excess of \$100,000 (\$10,000 in the case of a multican-  
11      didate political committee), or makes disbursements in ex-  
12      cess of \$100,000 (\$10,000 in the case of a multicandidate  
13      political committee), monthly reports on the 20th day of  
14      each month after the month in which that amount of con-  
15      tributions is first received or that amount of disburse-  
16      ments is first anticipated to be made during that year”  
17      before the semicolon.

18      (d) INCOMPLETE OR FALSE CONTRIBUTOR INFORMA-  
19      TION.—Section 302(i) of such Act (2 U.S.C. 432(i)) is  
20      amended—

21              (1) by inserting “(1)” after “(i)”;

22              (2) by striking “submit” and inserting “re-  
23      port”; and

24              (3) by adding at the end the following new  
25      paragraph:

1       “(2) A treasurer shall be considered to have used best  
2 efforts under this section only if—

3               “(A) all written solicitations include a clear and  
4 conspicuous request for the contributor’s identifica-  
5 tion and inform the contributor of the committee’s  
6 obligation to report the identification in a statement  
7 prescribed by the Commission;

8               “(B) the treasurer makes at least 1 additional  
9 request for the contributor’s identification for each  
10 contribution received that aggregates in excess of  
11 \$200 per calendar year and which does not contain  
12 all of the information required by this Act; and

13               “(C) the treasurer reports all information in the  
14 committee’s possession regarding contributor identi-  
15 fications.”.

16       (e) WAIVER.—Section 304 of such Act (2 U.S.C.  
17 434), as amended by section 307, is further amended by  
18 adding at the end the following new subsection:

19               “(f) WAIVER.—The Commission may relieve any cat-  
20 egory of political committees of the obligation to file 1 or  
21 more reports required by this section, or may change the  
22 due dates of such reports, if it determines that such action  
23 is consistent with the purposes of this Act. The Commis-  
24 sion may waive requirements to file reports in accordance  
25 with this subsection through a rule of general applicability

1 or, in a specific case, may waive or extend the due date  
2 of a report by notifying all political committees affected.”.

3 **SEC. 506. SIMULTANEOUS REGISTRATION OF CANDIDATE**  
4 **AND CANDIDATE’S PRINCIPAL CAMPAIGN**  
5 **COMMITTEE.**

6 Section 303(a) of the Federal Election Campaign Act  
7 of 1971 (2 U.S.C. 433(a)) is amended in the first sentence  
8 by striking “no later than 10 days after designation” and  
9 inserting “on the date of its designation”.

10 **SEC. 507. REPORTING ON GENERAL CAMPAIGN ACTIVITIES**  
11 **OF PERSONS OTHER THAN POLITICAL PAR-**  
12 **TIES.**

13 (a) REPORTING REQUIREMENT.—Section 304 of the  
14 Federal Election Campaign Act of 1971 (2 U.S.C. 434),  
15 as amended by sections 307 and 505, is further amended  
16 by adding at the end the following new subsection:

17 “(g) CERTAIN COMMUNICATIONS BY CORPORATIONS  
18 AND LABOR ORGANIZATIONS.—(1) Any person making  
19 disbursements to pay the cost of applicable communication  
20 activities aggregating \$5,000 or more with respect to a  
21 candidate in an election after the 20th day, but more than  
22 24 hours, before the election shall file a report of such  
23 disbursements within 24 hours after such disbursements  
24 are made.

1       “(2) Any person making disbursements to pay the  
2 cost of applicable communications activities aggregating  
3 \$5,000 or more with respect to a candidate in an election  
4 at any time up to and including the 20th day before the  
5 election shall file a report within 48 hours after such dis-  
6 bursements are made.

7       “(3) Any person required to file a report under para-  
8 graph (1) or (2) which also makes disbursements to pay  
9 the cost directly attributable to a get-out-the-vote cam-  
10 paign described in section 316(b)(2)(B) aggregating  
11 \$25,000 or more with respect to an election shall file a  
12 report within 48 hours after such disbursements are made.

13       “(4) An additional report shall be filed each time ad-  
14 ditional disbursements described in paragraph (1), (2), or  
15 (3), whichever is applicable, aggregating \$10,000 are  
16 made with respect to the same candidate in the same elec-  
17 tion as the initial report filed under this subsection. Each  
18 such report shall be filed within 48 hours after the dis-  
19 bursements are made.

20       “(5) For purposes of this subsection, the term ‘appli-  
21 cable communication activities’ means activities which are  
22 covered by the exception to section 301(9)(B)(iii).

23       “(6) Any statement under this subsection—

24               “(A) shall be filed in the case of—

1                   “(i) disbursements relating to candidates  
 2                   for the House of Representatives, with the  
 3                   Clerk of the House of Representatives and the  
 4                   Secretary of State of the State involved, and

5                   “(ii) any other disbursements, with the  
 6                   Commission, and

7                   “(B) shall contain such information as the  
 8                   Commission shall prescribe.”

9           (b) CONFORMING AMENDMENT.—Section 301(9)(B)  
 10 of such Act (2 U.S.C. 431(9)(B)) is amended by inserting  
 11 “and shall, if such costs exceeds the amount described in  
 12 paragraph (1), (2), or (4) of section 304(g), be reported  
 13 in the manner provided in section 304(g)” before the semi-  
 14 colon at the end of clause (iii).

## 15       **TITLE VI—BROADCAST RATES** 16       **AND CAMPAIGN ADVERTISING**

### 17       **SEC. 601. BROADCAST RATES AND CAMPAIGN ADVERTIS-** 18       **ING.**

19           (a) BROADCAST RATES.—Section 315 of the Commu-  
 20 nications Act of 1934 (47 U.S.C. 315) is amended—

21                   (1) by amending subsection (b) to read as fol-  
 22 lows:

23                   “(b)(1) Except as provided in paragraph (2), the  
 24 charges made for the use of a broadcasting station by a  
 25 person who is a legally qualified candidate for public office

1 in connection with the person's campaign for nomination  
2 for election, or election, to public office shall not exceed  
3 the charges made for comparable use of such station by  
4 other users thereof.

5 “(2) In the case of an eligible House of Representa-  
6 tives candidate, during the 30 days preceding the date of  
7 the primary or primary runoff election and during the 60  
8 days preceding the date of a general or special election  
9 in which the person is a candidate, the charges made for  
10 the use of a broadcasting station by the candidate shall  
11 not exceed 50 percent of the lowest unit charge of the sta-  
12 tion for the same class and amount of time for the same  
13 period.”;

14 (2) by redesignating subsections (c) and (d) as  
15 subsections (f) and (g), respectively;

16 (3) by inserting after subsection (b) the follow-  
17 ing new subsections:

18 “(c)(1) Except as provided in paragraph (2), a li-  
19 censee shall not preempt the use, during any period speci-  
20 fied in subsection (b)(1)(A), of a broadcast station by a  
21 legally qualified candidate for public office who has pur-  
22 chased and paid for such use pursuant to subsection  
23 (b)(1)(A).

24 “(2) If a program to be broadcast by a broadcasting  
25 station is preempted because of circumstances beyond the

1 control of the broadcasting station, any candidate adver-  
2 tising spot scheduled to be broadcast during that program  
3 may also be preempted.

4 “(d) If any person makes an independent expenditure  
5 through a communication on a broadcasting station that  
6 expressly advocates the defeat of an eligible House of Rep-  
7 resentatives candidate, or the election of an eligible House  
8 of Representatives candidate (regardless of whether such  
9 opponent is an eligible candidate), the licensee, as applica-  
10 ble, shall, not later than 5 business days after the date  
11 on which the communication is made (or not later than  
12 24 hours after the communication is made if the commu-  
13 nication occurs not more than 2 weeks before the date of  
14 the election), transmit to the candidate—

15 “(1) a statement of the date and time on which  
16 the communication was made;

17 “(2) a script or tape recording of the commu-  
18 nication, or an accurate summary of the communica-  
19 tion if a script or tape recording is not available;  
20 and

21 “(3) an offer of an equal opportunity for the  
22 candidate to use the broadcasting station to respond  
23 to the communication without having to pay for the  
24 use in advance.

1       “(e) A licensee that endorses a candidate for Federal  
2 office in an editorial shall, within the time period stated  
3 in subsection (d), provide to all other candidates for elec-  
4 tion to the same office—

5               “(1) a statement of the date and time of the  
6 communication;

7               “(2) a script or tape recording of the commu-  
8 nication, or an accurate summary of the communica-  
9 tion if a script or tape recording is not available;  
10 and

11               “(3) an offer of an equal opportunity for the  
12 candidate or spokesperson for the candidate to use  
13 the broadcasting station to respond to the commu-  
14 nication.”; and

15               (4) in subsection (f), as redesignated by para-  
16 graph (2)—

17                       (A) by striking “and” at the end of para-  
18 graph (1);

19                       (B) by striking the period at the end of  
20 paragraph (2) and inserting “; and”; and

21                       (C) by adding at the end the following new  
22 paragraph:

23               “(3) the terms ‘eligible House of Representa-  
24 tives candidate’ and ‘independent expenditure’ have

1 the meanings stated in section 301 of the Federal  
2 Election Campaign Act of 1971.”.

3 (b) REVOCATION OF LICENSE FOR FAILURE TO PER-  
4 MIT ACCESS.—Section 312(a)(7) of such Act (47 U.S.C.  
5 312(a)(7)) is amended—

6 (1) by striking “or repeated”;

7 (2) by inserting “or cable system” after “broad-  
8 casting station”; and

9 (3) by striking “his candidacy” and inserting  
10 “his or her candidacy, under the same terms, condi-  
11 tions, and business practices as apply to its most fa-  
12 vored advertiser”.

13 (c) MEETING REQUIREMENTS FOR RATES AS CONDI-  
14 TION OF GRANTING OR RENEWAL OF LICENSE.—Section  
15 307 of such Act (47 U.S.C. 307) is amended by adding  
16 at the end the following new subsection:

17 “(f) The continuation of an existing license, the re-  
18 newal of an expiring license, and the issuance of a new  
19 license shall be expressly conditioned on the agreement by  
20 the licensee or the applicant to meet the requirements of  
21 section 315(b), except that the Commission may waive this  
22 condition in the case of a licensee or applicant who dem-  
23 onstrates (in accordance with such criteria as the Commis-  
24 sion may establish in consultation with the Federal Elec-

tion Commission) that meeting such requirements will impose a significant financial hardship.”.

**SEC. 602. CAMPAIGN ADVERTISING AMENDMENTS.**

Section 318 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441d) is amended—

(1) in the matter before paragraph (1) of subsection (a), by striking “Whenever” and inserting “Whenever a political committee makes a disbursement for the purpose of financing any communication through any broadcasting station, newspaper, magazine, outdoor advertising facility, mailing, or any other type of general public political advertising, or whenever”;

(2) in the matter before paragraph (1) of subsection (a), by striking “an expenditure” and inserting “a disbursement”;

(3) in the matter before paragraph (1) of subsection (a), by striking “direct”;

(4) in paragraph (3) of subsection (a), by inserting after “name” the following “and permanent street address”; and

(5) by adding at the end the following new subsections:

“(c) Any printed communication described in subsection (a) shall be—

1           “(1) of sufficient type size to be clearly read-  
2           able by the recipient of the communication;

3           “(2) contained in a printed box set apart from  
4           the other contents of the communication; and

5           “(3) consist of a reasonable degree of color con-  
6           trast between the background and the printed state-  
7           ment.

8           “(d)(1) Any communication described in subsection  
9           (a)(1) or (a)(2) that is provided to and distributed by any  
10          broadcasting station or cable system (as such terms are  
11          defined in sections 315 and 602, respectively, of the Fed-  
12          eral Communications Act of 1934) shall include, in addi-  
13          tion to the requirements of subsections (a)(1) and (a)(2),  
14          an audio statement by the candidate that identifies the  
15          candidate and states that the candidate has approved the  
16          communication.

17          “(2) If a communication described in paragraph (1)  
18          contains any visual images, the communication shall in-  
19          clude a written statement which contains the same infor-  
20          mation as the audio statement and which—

21               “(A) appears at the end of the communication  
22               in a clearly readable manner with a reasonable de-  
23               gree of color contrast between the background and  
24               the printed statement, for a period of at least 4 sec-  
25               onds; and

9                    ‘                    is responsible for the content of  
10                    this advertisement.’

“(2) If the communication described in paragraph (1) contains visual images, the communication shall include a written statement which contains the same information as the audio statement and which appears in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement for a period of at least 4 seconds.”.

21 SEC. 603. ELIGIBILITY FOR NONPROFIT THIRD-CLASS BULK  
22 RATES OF POSTAGE.

Paragraph (2) of section 3626(e) of title 39, United States Code, is amended—

1           (1) in subparagraph (A) by striking “Commit-  
 2       tee, and the” and inserting “Committee, the”, and  
 3       by striking “Committee;” and inserting “Committee,  
 4       and a qualified campaign committee;”;

5           (2) by striking “and” at the end of subpara-  
 6       graph (B);

7           (3) by striking the period at the end of sub-  
 8       paragraph (C) and inserting a semicolon; and

9           (4) by adding at the end the following:

10          “(D) the term ‘qualified campaign committee’  
 11       means the campaign committee of an eligible House  
 12       of Representatives candidate; and

13          “(E) the term ‘eligible House of Representa-  
 14       tives candidate’ has the meaning given that term in  
 15       section 301 of the Federal Election Campaign Act of  
 16       1971.”.

## 17       **TITLE VII—MISCELLANEOUS**

### 18       **SEC. 701. PROHIBITION OF LEADERSHIP COMMITTEES.**

19       Section 302(e) of the Federal Election Campaign Act  
 20       of 1971 (2 U.S.C. 432(e)) is amended—

21           (1) by amending paragraph (3) to read as fol-  
 22       lows:

23       “(3) No political committee that supports or has sup-  
 24       ported more than one candidate may be designated as an  
 25       authorized committee, except that—

1           “(A) a candidate for the office of President  
2           nominated by a political party may designate the na-  
3           tional committee of such political party as the can-  
4           didate’s principal campaign committee, but only if  
5           that national committee maintains separate books of  
6           account with respect to its functions as a principal  
7           campaign committee; and

8           “(B) a candidate may designate a political com-  
9           mittee established solely for the purpose of joint  
10          fundraising by such candidates as an authorized  
11          committee.”; and

12          (2) by adding at the end the following new  
13          paragraph:

14          “(6)(A) A candidate for Federal office or any individ-  
15          ual holding Federal office may not establish, finance,  
16          maintain, or control any Federal or non-Federal political  
17          committee other than a principal campaign committee of  
18          the candidate, authorized committee, party committee, or  
19          other political committee designated in accordance with  
20          paragraph (3). A candidate for more than one Federal of-  
21          fice may designate a separate principal campaign commit-  
22          tee for each Federal office. This paragraph shall not pre-  
23          clude a Federal officeholder who is a candidate for State  
24          or local office from establishing, financing, maintaining,

1 or controlling a political committee for election of the indi-  
 2 vidual to such State or local office.

3 “(B) For 2 years after the effective date of this para-  
 4 graph, any political committee established before such  
 5 date but which is prohibited under subparagraph (A) may  
 6 continue to make contributions. At the end of that period  
 7 such political committee shall disburse all funds by one  
 8 or more of the following means: making contributions to  
 9 an entity qualified under section 501(c)(3) of the Internal  
 10 Revenue Code of 1986; making a contribution to the treas-  
 11 ury of the United States; contributing to the national,  
 12 State or local committees of a political party; or making  
 13 contributions not to exceed \$1,000 to candidates for elec-  
 14 tive office.”.

15 **SEC. 702. APPEARANCE BY FEDERAL ELECTION COMMIS-**  
 16 **SION AS AMICI CURIAE.**

17 Section 306(f) of the Federal Election Campaign Act  
 18 of 1971 (2 U.S.C. 437c(f)) is amended by striking out  
 19 paragraph (4) and inserting in lieu thereof the following  
 20 new paragraph:

21 “(4)(A) Notwithstanding the provisions of paragraph  
 22 (2), or of any other provision of law, the Commission is  
 23 authorized to appear on its own behalf in any action relat-  
 24 ed to the exercise of its statutory duties or powers in any  
 25 court as either a party or as amicus curiae, either—

1 “(i) by attorneys employed in its office, or

2 “(ii) by counsel whom it may appoint, on a  
3 temporary basis as may be necessary for such pur-  
4 pose, without regard to the provisions of title 5,  
5 United States Code, governing appointments in the  
6 competitive service, and whose compensation it may  
7 fix without regard to the provisions of chapter 51  
8 and subchapter III of chapter 53 of such title. The  
9 compensation of counsel so appointed on a tem-  
10 porary basis shall be paid out of any funds otherwise  
11 available to pay the compensation of employees of  
12 the Commission.

13 “(B) The authority granted under subparagraph (A)  
14 includes the power to appeal from, and petition the Su-  
15 preme Court for certiorari to review, judgments or decrees  
16 entered with respect to actions in which the Commission  
17 appears pursuant to the authority provided in this sec-  
18 tion.”.

19 **SEC. 703. PROHIBITING SOLICITATION OF CONTRIBUTIONS**  
20 **BY MEMBERS IN HALL OF THE HOUSE OF**  
21 **REPRESENTATIVES.**

22 (a) IN GENERAL.—A Member of the House of Rep-  
23 resentatives may not solicit or accept campaign contribu-  
24 tions in the Hall of the House of Representatives, rooms  
25 leading thereto, or the cloakrooms.

1 (b) DEFINITION.—In subsection (a), the term “Mem-  
 2 ber of the House of Representatives” means a Representa-  
 3 tive in, or a Delegate or Resident Commissioner to, Con-  
 4 gress.

5 (c) EXERCISE OF RULEMAKING AUTHORITY.—This  
 6 section is enacted by Congress—

7 (1) as an exercise of the rulemaking power of  
 8 the House of Representatives, and as such this sec-  
 9 tion is deemed a part of the rules of the House of  
 10 Representatives and supersedes other rules only to  
 11 the extent inconsistent therewith; and

12 (2) with full recognition of the constitutional  
 13 right of the House of Representatives to change the  
 14 rule at any time, in the same manner and to the  
 15 same extent as in the case of any other rule of the  
 16 House of Representatives.

## 17 **TITLE VIII—EFFECTIVE DATES;** 18 **AUTHORIZATIONS**

### 19 **SEC. 801. EFFECTIVE DATE.**

20 Except as otherwise provided in this Act, the amend-  
 21 ments made by, and the provisions of, this Act shall take  
 22 effect on the date of the enactment of this Act, but shall  
 23 not apply with respect to activities in connection with any  
 24 election occurring before January 1, 1997.

1 **SEC. 802. SEVERABILITY.**

2 (a) IN GENERAL.—Except as otherwise provided in  
3 this section, if any provision of this Act (including any  
4 amendment made by this Act), or the application of any  
5 such provision to any person or circumstance, is held in-  
6 valid, the validity of any other provision of this Act, or  
7 the application of such provision to other persons and cir-  
8 cumstances, shall not be affected thereby.

9 (b) EXCEPTIONS.—If any provision of subtitle A of  
10 title V of the Federal Election Campaign Act of 1971 (as  
11 added by title I) is held to be invalid, all provisions of  
12 such subtitle, and the amendment made by section 122,  
13 shall be treated as invalid.

14 **SEC. 803. EXPEDITED REVIEW OF CONSTITUTIONAL ISSUES.**

15 (a) DIRECT APPEAL TO SUPREME COURT.—An ap-  
16 peal may be taken directly to the Supreme Court of the  
17 United States from any final judgment, decree, or order  
18 issued by any court finding any provision of this Act or  
19 amendment made by this Act to be unconstitutional.

20 (b) ACCEPTANCE AND EXPEDITION.—The Supreme  
21 Court shall, if it has not previously ruled on the question  
22 addressed in the ruling below, accept jurisdiction over, ad-  
23 vance on the docket, and expedite the appeal to the great-  
24 est extent possible.

1   **SEC. 804. REGULATIONS.**

2           The Federal Election Commission shall prescribe any  
3 regulations required to carry out the provisions of this Act  
4 within 12 months after the effective date of this Act.

